

ODESIA Group

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

FOR THE SECOND QUARTER ENDED JUNE 30, 2008

(UNAUDITED)

Odesia Group Inc.

Notice to reader

**The Company's interim consolidated financial statements
for the six-month period ended June 30, 2008
have not been reviewed by the Company's external auditors.
All amounts are in Canadian dollars, except as otherwise stated.
You will find more information about the
Company by visiting the Sedar's web site
(www.sedar.com)**

Odesia Group Inc.

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Consolidated Earnings and Comprehensive Income (unaudited)

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2008 \$	2007 \$	2008 \$	2007 \$
Sales	4,270,627	3,854,181	8,506,665	6,416,113
Cost of services provided, operating and administrative expenses	4,438,425	3,649,879	8,602,366	6,289,286
Earnings (loss) before amortization of tangible and intangible assets, financial expenses, income taxes and non-controlling interest	(167,798)	204,302	(95,701)	126,827
Amortization of tangible and intangible assets	222,534	22,654	440,190	45,703
Financial expenses and foreign exchange (note 4)	120,943	136,011	198,156	147,984
Write-off of intangible assets	1,009,909	-	1,009,909	-
Loss before income taxes and non-controlling interest	(1,521,184)	45,637	(1,743,956)	(66,860)
Income taxes				
Current (recovered)	7,200	(6,651)	32,274	(28,588)
Future (recovered)	(329,402)	58,075	(359,577)	87,991
	(322,202)	51,424	(327,303)	59,403
Loss before non-controlling interest	(1,198,982)	(5,787)	(1,416,653)	(126,263)
Non-controlling interest	-	-	-	10,055
Net loss and and comprehensive income	(1,198,982)	(5,787)	(1,416,653)	(116,208)
Basic weighted average number of shares outstanding during the period	27,870,286	25,636,350	27,870,286	25,636,009
Diluted weighted average number of shares outstanding during the period, (note 3)	27,870,286	25,636,350	27,870,286	25,636,009
Basic net loss per share,	(0.043)	(0.000)	(0.051)	(0.005)
Diluted net loss per share, (note 3)	(0.043)	(0.000)	(0.051)	(0.005)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Retained Earnings (Deficit)

(unaudited)

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2008 \$	2007 \$	2008 \$	2007 \$
Retained earnings (deficit) at the beginning	(682,362)	38,064	(464,691)	148,485
Net loss for the period	(1,198,982)	(5,787)	(1,416,653)	(116,208)
Retained earnings (deficit) at the end	(1,881,344)	32,277	(1,881,344)	32,277

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheet, as at

	June 30, 2008 (unaudited) \$	December 31, 2007 (audited) \$
ASSETS		
Current assets		
Cash	350,546	261,382
Accounts receivable	5,223,743	5,469,675
Contracts in progress	12,269	24,315
Future income taxes	101,345	111,175
Prepaid expenses	262,091	191,593
	5,949,994	6,058,140
Research tax credit recoverable	283,271	254,967
Tangible assets	212,437	219,088
Other assets	91,899	71,658
Intangible assets	672,123	2,066,532
Goodwill	1,005,076	954,076
Future income taxes	378,403	76,197
	8,593,203	9,700,658
LIABILITIES		
Current liabilities		
Bank loans	1,827,937	1,822,089
Accounts payable and accrued liabilities	4,043,105	3,551,119
Deferred revenue	77,941	127,739
Income tax payable	13,661	29,703
Instalments on long-term debt	475,000	475,000
Future income taxes	370,035	410,867
	6,807,679	6,416,517
Long-term debt	238,551	320,945
Future income taxes	163,904	190,273
	7,210,134	6,927,735
SHAREHOLDER'S EQUITY		
Capital stock and warrants (note 7)	2,860,088	3,091,463
Contributed surplus (note 6)	404,325	146,151
Deficit	(1,881,344)	(464,691)
	1,383,069	2,772,923
	8,593,203	9,700,658

On behalf of the Board,

(signed) : Jan Czech, director

(signed) : Nicolas Bonnafous, director

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Cash Flows

(unaudited)

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2008	2007	2008	2007
	\$	\$	\$	\$
Operating activities				
Net loss for the period	(1,198,982)	(5,787)	(1,416,653)	(116,208)
Non-cash items				
Amortization of tangible assets	30,283	17,487	55,689	35,369
Amortization of intangible assets	192,251	5,167	384,501	10,334
Write-off of intangible assets	1,009,909	-	1,009,909	-
Implicit interest	19,941	-	42,606	-
Non-controlling interest	-	-	-	(10,055)
Stock-based compensation (note 6)	13,399	13,396	26,799	26,796
Future income taxes	(329,402)	58,075	(359,577)	87,991
Unrealized foreign exchange loss (gain) on research tax credit receivable	2,682	-	(28,304)	-
Change in working capital items (note 8)	259,527	(488,579)	613,625	(1,059,021)
	(392)	(400,241)	328,595	(1,024,794)
Investing activities				
Term investment	-	250,000	-	250,000
Acquisition of tangible assets	(32,847)	(13,215)	(49,038)	(31,647)
Acquisition of other assets	1,729	(8,232)	(21,888)	(8,232)
Disposal of other assets	1,647	-	1,647	10,071
Increase in Goodwill	(51,000)	-	(51,000)	-
	(80,471)	228,553	(120,279)	220,192
Financing activities				
Bank loans	523,637	176,341	5,848	346,048
Instalments on long-term debt	(125,000)	(4,170)	(125,000)	(8,340)
Share issue	-	900	-	900
	398,637	173,071	(119,152)	338,608
Net decrease in cash	317,774	1,383	89,164	(465,994)
Cash - beginning of period	32,772	90,204	261,382	557,581
Cash - end of period	350,546	91,587	350,546	91,587

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

For the six-month period ended June 30, 2008
(unaudited)

1. Basis of presentation

The unaudited interim consolidated financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP") for interim financial statements. These financial statements do not contain all disclosures required by Canadian GAAP for annual financial statements. These financial statements have been prepared in accordance with the same accounting policies and methods of their application as the annual financial statements for the year ended December 31, 2007, except for the new accounting policies effective January 1, 2008.

The interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements and notes thereto included in the Company's annual report for the year ended December 31, 2007.

2. New accounting policies

The adoption of these recommendations has no impact on the consolidated financial statements.

Financial instruments

In December 2006, the CICA issued the following standards: Accounting Standards Section 3862 "Financial Instruments – Disclosure" and Accounting Standard Section 3863 "Financial Instruments – Presentation". These sections replace CICA 3861, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. This section is effective for fiscal years beginning on or after October 1, 2007. This section only addresses disclosure requirements and has no impact on the consolidated financial statements of the company.

Capital Disclosures

In December 2006, the CICA published Section 1535, "Capital Disclosures". This new standard establishes disclosure requirements concerning capital such as: qualitative information about its objectives, policies and processes for managing capital; quantitative data about what it regards as capital; whether it has complied with any externally imposed capital requirements and, if not, the consequences of such non-compliance. This Section is effective for fiscal years beginning on or after October 1, 2007. This section only addresses disclosure requirements and has no impact on the consolidated financial statements of the company.

General standards of financial statements presentation

In June 2007, the Canadian Institute of Chartered Accountants modified Section 1400, "General Standards of Financials Presentation", in order to require that management make an assessment of the Company's ability to continue as a going concern over a period which is at least, but not limited to, twelve months from the balance sheet date. These new requirements are effective for fiscal years beginning on or after January 1, 2008. The new requirements only address disclosures and has no impact on the Company's financial results.

Accounting pronouncements not yet implemented

Goodwill and intangible assets

In February 2008, the CICA published Section 3064, "Goodwill and Intangible Assets". This new standard establishes standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The requirements will be effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008.

The corporation is currently assessing the impact that these accounting pronouncements will have on its consolidated financial statements.

Notes to Consolidated Financial Statements

For the six-month period ended June 30, 2008
(unaudited)

3. Loss per share

The potentially dilutive securities (warrants, stock options) for which the exercise price was greater than the average market price of the common shares or which had an anti-dilutive effect have not been included in the calculation of diluted loss.

4. Financial expenses and foreign exchange

	For the three-month period ended June 30,		For the six-month period ended June 30	
	2008 \$	2007 \$	2008 \$	2007 \$
Interest on bank loans	100,814	9,157	164,856	9,600
Interest on long-term debt	43,307	242	92,222	676
Loss (gain) on foreign exchange	(23,178)	126,612	(58,922)	137,708
	120,943	136,011	198,156	147,984

5. Information on consolidated earnings

	For the three-month period ended June 30,		For the six-month period ended June 30	
	2008 \$	2007 \$	2008 \$	2007 \$
Refundable tax credit for electronic business activities recorded against the cost of services provided, operating and administrative expenses	-	(242,446)	-	(484,550)
Refundable tax credit for the development of information technologies activities recorded against the cost of services provided, operating and administrative expenses	(180,000)	-	(217,500)	-
Amortization of tangible assets	30,283	17,487	55,689	22,654
Amortization of intangible assets	192,251	5,167	384,501	10,334
Stock-based compensation	13,399	13,396	26,799	26,796
Deferred share unit plan	13,500	20,740	27,000	34,574

Notes to Consolidated Financial Statements

For the six-month period ended June 30, 2008
(unaudited)

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.

For the six-month period ended June 30, 2008, the Company recognized a \$26,799 (\$26,796 for the six-month period ended June 30, 2007) stock-based compensation expense which was credited to contributed surplus.

Changes in the Company's stock options for the six-month period ended June 30, 2008 and the year ended December 31, 2007 are detailed as follows:

	June 30, 2008		December 31, 2007	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Outstanding at the beginning of Period	522,500	0.38	937,500	0.38
Awarded	--	--	80,000	0.40
Forfeited during the period	--	--	(495,000)	0.38
Outstanding at the end of period	522,500	0.38	522,500	0.38
Exercisable at the end of period	193,500	0.38	187,500	0.38

The following table summarizes information regarding the outstanding options as at June 30, 2008:

Exercise Price	Number of Options	Weighted average remaining term (years)	Weighted average exercise price	Exercisable options	
				Number of Options	Weighted average exercise price
\$			\$		\$
0.32	100,000	3.11	0.32	33,333	0.32
0.39	330,000	2.54	0.39	110,000	0.39
0.40	92,500	4.23	0.40	50,167	0.40
Outstanding	522,500	2.95	0.38	193,500	0.38

Notes to Consolidated Financial Statements

For the six-month period ended June 30, 2008
(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.

C) Contributed surplus

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

	For the six-month period ended June 30, 2008	For the year ended December 31, 2007
	\$	\$
Balance, beginning of period	146,151	79,561
Stock-based compensation	26,799	53,592
Forfeited warrants during the period (note 7)	231,375	14,188
Warrants exercised	-	(1,190)
Balance, end of period	404,325	146,151

Notes to Consolidated Financial Statements

For the six-month period ended June 30, 2008
(unaudited)

7. Capital Stock and Warrants

A) Capital Stock

Authorized

The Company's authorized capital stock consists of an unlimited number of voting and participating common shares. Changes in the Company's capital stock during the six-month period ended June 30, 2008 and the year ended December 31, 2007 are detailed as follows:

	For the six-month period ended June 30, 2008		For the year ended December 31, 2007	
	Number	\$	Number	\$
Balance, beginning of period	27,870,286	3,091,463	25,635,664	2,318,975
Shares issued in connection with the acquisition of Resource IT	--	--	2,222,222	780,836
Shares issued upon exercise of Warrants	--	--	12,400	5,840
Value of warrants expired during the period	--	(231,375)	--	(14,188)
Balance, end of period	27,870,286	2,860,088	27,870,286	3,091,463

B) Warrants

The 4,010,664 warrants which were outstanding as at December 31, 2007 have expired on January 31, 2008. The value of those warrants has been debited from capital stock and credited to contributed surplus.

8. Change in working capital items

	For the three-month period ended June 30,		For the six-month period ended June 30	
	2008 \$	2007 \$	2008 \$	2007 \$
Accounts receivable	(65,539)	(928,863)	245,931	(1,351,803)
Contracts in progress	18,865	(376,787)	12,046	(348,149)
Prepaid expenses	(65,774)	(32,759)	(70,498)	(72,776)
Accounts payable and accrued liabilities	391,357	861,299	491,986	825,990
Deferred revenue	(31,652)	(4,818)	(49,798)	(83,695)
Income taxes payable	12,270	(6,651)	(16,042)	(28,588)
	259,527	(488,579)	613,625	(1,059,021)

Notes to Consolidated Financial Statements

For the six-month period ended June 30, 2008

(unaudited)

9. Segmented 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:

	For the three-month period ended June 30		For the six-month period ended June 30	
	2008	2007	2008	2007
	\$	\$	\$	\$
Revenue by location of customers:				
Canada	1,594,530	1,555,838	3,231,181	2,997,681
France	1,777,871	910,720	3,488,932	1,814,504
Mexico	898,226	-	1,786,552	-
Switzerland	-	1,387,623	-	1,603,928
	4,270,627	3,854,181	8,506,665	6,416,113

	June 30	December 31
	2008	2007
	\$	\$
Tangible assets by location of the subsidiary:		
Canada	122,634	134,876
France	27,387	24,793
Mexico	62,416	59,419
	212,437	219,088

	June 30	December 31
	2008	2007
	\$	\$
Intangible assets attributable to subsidiaries located in the following countries:		
Canada (1)	138,151	1,418,060
France	15,499	25,833
Mexico	518,473	622,639
	672,123	2,066,532

(1) Although the subsidiary holding this intangible asset is located in Canada, this intangible asset is related to contracts in Europe.

Notes to Consolidated Financial Statements

For the six-month period ended June 30, 2008

(unaudited)

9. Segmented Information (continued)

	<u>June 30</u> <u>2008</u>	<u>December 31</u> <u>2007</u>
	\$	\$
Goodwill attributable to subsidiaries located in the following countries:		
France	35,565	35,565
Mexico	969,511	918,511
	<u>1,005,076</u>	<u>954,076</u>

10. Financial Instruments

Exchange Risk

The company is exposed to exchange risk as a result of cash, accounts receivable and accounts payable and accrued liabilities denominated in foreign currency.

The company has not entered into any agreement to hedge its exchange risk exposure.

	<u>June 30</u> <u>2008</u>	<u>December 31</u> <u>2007</u>
Assets denominated in:		
US dollars	US\$ 169,788	US\$ 423,278
Euros	€ 921,594	€ 740,751
Mexican Pesos	MXP 15,597,736	MXP 8,580,785
Swiss Franc	SF	SF 31,000

	<u>June 30</u> <u>2008</u>	<u>December 31</u> <u>2007</u>
	\$	\$
Accounts payable and accrued liabilities denominated in:		

US dollars	US\$ 39,842	US\$ 50,220
Euros	€ 840,980	€ 623,004
Mexican Pesos	MXP 5,821,908	MXP 4,408,681

Notes to Consolidated Financial Statements

For the six-month period ended June 30, 2008

(unaudited)

11. Subsequent event

On July 21, 2008, the Company completed a private placement of \$1,450,000 by the issuance of

- a convertible debenture of \$500,000,
- a convertible debenture of \$250,000,
- 1,750,000 units at a price of \$0.40 per unit for a total consideration of \$700,000

Each unit is composed of one common share and one-fifth of a common share purchase warrant, each common share purchase warrant entitles the owner to purchase one common share of ODESIA at a price of \$0.40 per share until July 21, 2011.

The debentures issued are convertible and unsecured. The principal amount of the debentures will bear interest at the annual rate of 10%, from the disbursement date and the principal amount will be convertible, at the election of the holders, into units of ODESIA, each unit being comprised of one common share of ODESIA and one-half common share purchase warrant. The conversion price of the debentures into units will be calculated using a conversion price equal to the average trading price of the common shares of ODESIA on the TSX Venture Exchange Inc. for the 30 days preceding the date of reception of a conversion notice, less the maximum discount authorized by the TSX Venture Exchange Inc., being 25% if the share trading price is less than \$0.50, 20% if share the trading price is from \$0.51 to \$2.00 and 15% if the share trading price is more than \$2.00; which price shall not be lower than the trading price at the date of issuance of the debentures. Interest on the principal amount of the debentures will be payable by way of semi-annual instalments in July and in January of each year and the principal amount will be payable 60 months after the date of issuance of the debentures.

The securities issued pursuant to this private placement are subject to statutory resale restrictions for a period of four (4) months following the closing of the financing.