

ODESIA Group

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2008

(UNAUDITED)

Odesia Group Inc.

Notice to reader

**The Company's interim consolidated financial statements
for the nine-month period ended September 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 September 30,		For the nine-month period ended September 30,	
	2008	2007	2008	2007
	\$	\$	\$	\$
Sales	4,350,008	3,415,185	12,856,673	9,831,298
Cost of services provided, operating and administrative expenses	4,155,256	3,636,934	12,757,621	9,926,220
Earnings (loss) before amortization of tangible and intangible assets, financial expenses, income taxes and non-controlling interest	194,752	(221,749)	99,052	(94,922)
Amortization of tangible and intangible assets	167,635	27,874	607,825	73,577
Financial expenses and foreign exchange (note 4)	226,410	71,572	424,567	219,556
Write-off of intangible assets	-	-	1,009,909	-
Loss before income taxes and non-controlling interest	(199,293)	(321,195)	(1,943,249)	(388,055)
Income taxes				
Current (recovered)	145,849	(4,126)	178,123	(32,714)
Future (recovered)	(213,065)	(121,722)	(572,642)	(33,731)
	(67,216)	(125,848)	(394,519)	(66,445)
Loss before non-controlling interest	(132,077)	(195,347)	(1,548,730)	(321,610)
Non-controlling interest	-	-	-	10,055
Net loss and comprehensive income	(132,077)	(195,347)	(1,548,730)	(311,555)
Basic weighted average number of shares outstanding during the period	29,239,851	25,638,064	28,325,414	25,636,687
Diluted weighted average number of shares outstanding during the period, (note 3)	29,239,851	25,638,064	28,325,414	25,636,687
Basic net loss per share,	(0.005)	(0.008)	(0.055)	(0.012)
Diluted net loss per share, (note 3)	(0.005)	(0.008)	(0.055)	(0.012)

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

Consolidated Retained Earnings (Deficit) (unaudited)

	For the three-month period ended September 30,		For the nine-month period ended September 30,	
	2008	2007	2008	2007
	\$	\$	\$	\$
Retained earnings (deficit) at the beginning	(1,881,344)	32,277	(464,691)	148,485
Net loss for the period	(132,077)	(195,347)	(1,548,730)	(311,555)
Retained earnings (deficit) at the end	(2,013,421)	(163,070)	(2,013,421)	(163,070)

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

Consolidated Balance Sheet, as at

	September 30, 2008 (unaudited) \$	December 31, 2007 (audited) \$
ASSETS		
Current assets		
Cash	180,445	261,382
Accounts receivable (note 11)	5,443,163	5,469,675
Contracts in progress	535,257	24,315
Future income taxes	-	111,175
Prepaid expenses	227,307	191,593
	6,386,172	6,058,140
Research tax credit recoverable	263,331	254,967
Tangible assets	172,633	219,088
Other assets	94,922	71,658
Intangible assets	545,797	2,066,532
Goodwill	983,437	954,076
Future income taxes	378,403	76,197
	8,824,695	9,700,658
LIABILITIES		
Current liabilities		
Bank loans	1,863,897	1,822,089
Accounts payable and accrued liabilities	3,375,143	3,551,119
Deferred revenue	44,460	127,739
Income tax payable	154,511	29,703
Instalments on long-term debt	369,722	475,000
Future income taxes	72,800	410,867
	5,880,533	6,416,517
Convertible Debenture (note 6)	488,626	-
Long-term debt	204,320	320,945
Future income taxes	146,729	190,273
	6,720,208	6,927,735
SHAREHOLDER'S EQUITY		
Capital stock and warrants (note 8)	3,499,743	3,091,463
Shareholder's equity portion of the convertible debenture (note 6)	206,532	-
Contributed surplus (note 7)	411,633	146,151
Deficit	(2,013,421)	(464,691)
	2,104,487	2,772,923
	8,824,695	9,700,658

On behalf of the Board,

(signed): Jan Czech, director

(signed): Nicolas Bonnafous, director

Consolidated Cash Flows (unaudited)

	For the three-month period ended September 30,		For the nine-month period ended September 30,	
	2008	2007	2008	2007
	\$	\$	\$	\$
Operating activities				
Net loss for the period	(132,077)	(195,347)	(1,548,730)	(311,555)
Non-cash items				
Amortization of tangible assets	30,064	22,707	85,753	58,076
Amortization of intangible assets	126,326	5,167	510,827	15,501
Write-off of intangible assets	-	-	1,009,909	-
Implicit interest	6,545	-	49,151	-
Non-controlling interest	-	-	-	(10,055)
Stock-based compensation (note 7)	7,308	13,396	34,107	40,192
Future income taxes	(213,065)	(121,722)	(572,642)	(33,731)
Unrealized foreign exchange loss (gain) on research tax credit recoverable	19,940	-	(8,364)	-
Change in working capital items (note 9)	(1,268,216)	47,241	(654,591)	(1,011,780)
	(1,423,175)	(228,558)	(1,094,580)	(1,253,352)
Investing activities				
Term Investment	-	-	-	250,000
Acquisition of tangible assets	(1,503)	(37,322)	(50,541)	(68,969)
Acquisition of other assets	(3,023)	-	(24,911)	(8,232)
Disposal of other assets	-	2,224	1,647	12,295
Decrease (Increase) in Goodwill	21,639	-	(29,361)	-
	17,113	(35,098)	(103,166)	185,094
Financing activities				
Bank loans	35,960	325,136	41,808	671,184
Instalments on long-term debt	(125,000)	(5,560)	(250,000)	(13,900)
Convertible debenture issue	685,346	-	685,346	-
Share issue	639,655	-	639,655	900
	1,235,961	319,576	1,116,809	658,184
Net decrease in cash	(170,101)	55,920	(80,937)	(410,074)
Cash - beginning of period	350,546	91,587	261,382	557,581
Cash - end of period	180,445	147,507	180,445	147,507

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

Notes to Consolidated Financial Statements

For the nine-month period ended September 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. These sections are effective for fiscal years beginning on or after October 1, 2007. These sections only address disclosure requirements and have 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 have 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 this accounting pronouncement will have on its consolidated financial statements.

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.

Notes to Consolidated Financial Statements

For the nine-month period ended September 30, 2008

(unaudited)

4. Financial expenses and foreign exchange

	For the three-month period ended September 30,		For the nine-month period ended September 30	
	2008 \$	2007 \$	2008 \$	2007 \$
Interest on bank loans	71,328	47,045	236,184	56,645
Interest on long-term debt	47,768	-	139,990	676
Loss (gain) on foreign exchange	107,315	24,528	48,393	162,236
	226,410	71,572	424,567	219,556

5. Information on consolidated earnings

	For the three-month period ended September 30,		For the nine-month period ended September 30	
	2008 \$	2007 \$	2008 \$	2007 \$
Refundable tax credit for electronic business activities recorded against the cost of services provided, operating and administrative expenses	-	(276,613)	-	(761,163)
Refundable tax credit for the development of information technologies activities recorded against the cost of services provided, operating and administrative expenses	(180,000)	-	(397,500)	-
Amortization of tangible assets	30,064	22,707	85,753	58,076
Amortization of intangible assets	126,326	5,167	510,827	15,501
Stock-based compensation	7,308	13,396	34,107	40,192
Deferred share unit plan	13,500	24,000	40,500	58,574

6. Convertible debenture

	September 30 2008 \$	December 31 2007 \$
Convertible debenture (a)	488,626	--
Instalments due within one year	--	--
	488,626	--

- (a) The debentures issued are convertible, unsecured and have a nominal amount of \$750,000. The principal amount of the debentures will bear interest at the annual rate of 10% (effective rate 23.5%), 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 shareholder's equity portion of the convertible debenture has been estimated at \$206,532.

Notes to Consolidated Financial Statements

For the nine-month period ended September 30, 2008
(unaudited)

7. 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.

During the nine-month period ended September 30, 2008, the Company granted 100,000 stock options to an employee (nil in the nine-month period ended September 30, 2007). The fair value of these options on the grant date in 2008 has been determined using the Black-Scholes option pricing model and the following weighted average assumptions:

	For the nine-month period ended September 30, 2008
Dividend yield	--
Expected volatility	69%
Risk-free interest rate	3.46%
Expected life of the options	5 years
Average fair value of each option	\$0.40

For the nine-month period ended September 30, 2008, the Company recognized a \$34,107 (\$40,193 for the nine-month period ended September 30, 2007) stock-based compensation expense which was credited to contributed surplus.

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

	September 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	100,000	0.40	80,000	0.40
Forfeited during the period	147,500	0.39	(495,000)	0.38
Outstanding at the end of period	475,000	0.38	522,500	0.38
Exercisable at the end of period	306,667	0.38	187,500	0.38

Notes to Consolidated Financial Statements

For the nine-month period ended September 30, 2008
(unaudited)

7. Stock-based Compensation and Contributed Surplus (continued)

The following table summarizes information regarding the outstanding options as at September 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	2.86	0.32	66,667	0.32
0.39	235,000	2.30	0.39	190,000	0.39
0.40	140,000	4.58	0.40	50,000	0.40
Outstanding	475,000	3.09	0.38	306,667	0.38

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 nine-month period ended September 30, 2008	For the year ended December 31, 2007
	\$	\$
Balance, beginning of period	146,151	79,561
Stock-based compensation	34,107	53,592
Forfeited warrants during the period (note 7)	231,375	14,188
Warrants exercised	-	(1,190)
Balance, end of period	411,633	146,151

Notes to Consolidated Financial Statements

For the nine-month period ended September 30, 2008
(unaudited)

8. 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 nine-month period ended September 30, 2008 and the year ended December 31, 2007 are detailed as follows:

	For the nine-month period ended September 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
Shares issued in connection with the July 21, 2008 private placement	1,750,000	639,655	--	--
Value of warrants expired during the period	--	(231,375)	--	(14,188)
Balance, end of period	29,620,286	3,499,743	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.

9. Change in working capital items

	For the three-month period ended September 30,		For the nine-month period ended September 30	
	2008 \$	2007 \$	2008 \$	2007 \$
Accounts receivable	(219,420)	(221,168)	26,512	(1,572,971)
Contracts in progress	(522,988)	39,738	(510,942)	(308,411)
Prepaid expenses	34,784	(85,417)	(35,714)	(158,193)
Accounts payable and accrued liabilities	(667,961)	290,647	(175,976)	1,116,637
Deferred revenue	(33,481)	23,441	(83,279)	(60,254)
Income taxes payable	140,850	-	124,808	(28,588)
	(1,268,216)	47,241	(654,591)	(1,011,780)

Notes to Consolidated Financial Statements

For the nine-month period ended September 30, 2008

(unaudited)

10. 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 September 30		For the nine-month period ended September 30	
	2008	2007	2008	2007
	\$	\$	\$	\$
Revenue by location:				
Canada	1,595,370	1,184,292	4,826,551	4,181,973
France	1,970,709	938,064	5,459,641	2,752,568
Mexico	783,929	-	2,570,481	-
Switzerland	-	1,292,829	-	2,896,757
	4,350,008	3,415,185	12,856,673	9,831,298

	September 30	December 31
	2008	2007
	\$	\$
Tangible assets by location:		
Canada	97,758	134,876
France	24,835	24,793
Mexico	50,041	59,419
	172,633	219,088

	September 30	December 31
	2008	2007
	\$	\$
Intangible assets attributable to subsidiaries located in the following countries:		
Canada (1)	69,076	1,418,060
France	10,332	25,833
Mexico	466,389	622,639
	545,797	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 nine-month period ended September 30, 2008

(unaudited)

10. Segmented Information (continued)

	<u>September 30</u>	<u>December 31</u>
	2008	2007
	\$	\$
Goodwill attributable to subsidiaries located in the following countries:		
France	35,565	35,565
Mexico	947,872	918,511
	<u>983,437</u>	<u>954,076</u>

11. 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>September 30</u>	<u>December 31</u>
	2008	2007
Assets denominated in:		
US dollars	US\$ 941 602	US\$ 1 079 795
Euros	€ 1 094 323	€ 740 751
Mexican Pesos	MXP 5 012 089	MXP 6 092 555
Swiss Franc	SF -	SF 31 000

	<u>September 30</u>	<u>December 31</u>
	2008	2007
	\$	\$
Accounts payable and accrued liabilities denominated in:		
US dollars	US\$ 62 340	US\$ 107 209
Euros	€ 843 227	€ 623 004
Mexican Pesos	MXP 3 745 161	MXP 3 943 641

Notes to Consolidated Financial Statements

For the nine-month period ended September 30, 2008

(unaudited)

11. Financial Instruments (continued)

Credit risk

Generally, the carrying amount on the balance sheet of the company's financial assets exposed to credit risk, net of applicable provision for losses, represents the maximum amount of credit risk exposure.

The Company's credit risk exposure is mainly from trade accounts receivable. The Company does not require guarantees from its customers. The Company's policy is to conduct a credit check of each customer. Moreover, the trade accounts receivable balance is monitored on an on-going basis and, accordingly, the company's bad debt exposure is not significant.

The aging of the trade receivable balance as at September 30, 2008 was as follows:

	<u>September 30</u> 2008
	\$
0 - 30 days	1 607 606
31 - 60 days	597 777
61 - 90 days	471 361
91 + days	433 228
	<u>3 109 971 (1)</u>

(1) The \$2,333,192 balance to obtain the \$5,443,163 shown as accounts receivable on the balance sheet represents tax credit and other receivables.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by monitoring closely its treasury to maintain a sufficient level of liquidity to be able to meet its financial obligations in a predictable future. The company prepares budgetary and treasury projections to insure that it will have the funds necessary to meet its obligations. A large part of the Company's needs is met by the cash flow from operations. During the previous periods, the Company principally financed its expansion by issuing share capital, long-term debt and convertible debenture. As at December 31, 2007, the Company did not meet its financial ratios as required by the bank in its bank loans agreement with respect to minimum working capital and maximum debt to equity.

Fair value

Cash is accounted at the fair value. Accounts receivable, work in progress, bank loans, accounts payable and accrued liabilities, and long-term debt are financial instruments whose fair value approximates their carrying value due to their short-term maturity or current market rates. The fair value of the convertible debenture is described in note 6.

12- CAPITAL DISCLOSURE

The Company's objective in managing capital is to ensure sufficient liquidity is available to pursue its organic growth strategy and undertake selective acquisitions, while at the same time taking a conservative approach towards financial leverage and management of financial risk. The Company aims to increase its market share and its profits to maximize the shareholders' investment return and intends to maintain a flexible capital structure in order to keep an adequate debt to equity ratio in order to have access to the financing necessary to maintain its growth, take advantage of acquisition opportunities and react to variations in economic conditions.

The Company's capital management objectives, policies and procedures did not change since the last period. Certain debts of the Company are subject to restrictive covenants concerning the debt to equity ratio and the working capital ratio. The Company defines its capital as shareholder's equity, cash, bank loans, long-term debt and convertible debenture, including the current portion.

The Company's financial strategy is designed and formulated to maintain a flexible capital structure consistent with the objectives stated above and to respond to changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares and new debt titles or refinance existing debt with different characteristics.