

**FOR IMMEDIATE RELEASE**

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**INFOVISTA REPORTS Q1 FY09 FINANCIAL RESULTS**

**Revenues and Net Income Improved Year-on-Year**

**Paris, France– October 30, 2008** – InfoVista (Euronext: IFV, ISIN: FR0004031649), the leading service-centric performance management software company, today announced financial results for the first quarter of its 2008/09 fiscal year, ended September 30, 2008.

Total revenues for the quarter were €1.0 million, up 8% from the €0.2 million reported for the comparable quarter last year. On a constant exchange rate basis, total revenues would have risen 14% to the equivalent of €1.6 million as compared to the same period last year. Excluding 5View's contribution and on a constant exchange rate basis, InfoVista's total revenues for the first quarter would have grown organically to €0.7 million or 6% year-on-year. This performance is consistent with the Company's annual objective to achieve 10% top-line growth in the full year.

InfoVista reported an operating profit of €0.4 million for the first quarter of this fiscal year compared with operating profit of €0.2 million for the same period last year. InfoVista also posted a net profit for the quarter of €0.5 million versus a net loss of €0.2 million in the comparable quarter last year.

Commenting on the results, Chief Executive Officer Philippe Ozanian said:

"The past quarter represents an encouraging first step toward the achievement of our full fiscal year objective. Our financial performance is improving and we achieved 14% growth in revenues on a constant dollar basis. However, in the current economic conditions, we are convinced that a further optimization of our operating costs is required to reach our 6% net margin objective."

**Q1 Financial Highlights**

**Revenues**

- Total revenues for the first quarter increased to €1.0 million, as compared to reported revenues of €0.2 million in the comparable quarter last year. On a constant exchange rate basis, total revenues would have risen to the equivalent of €1.6 million in the first quarter.
- License revenues for the first quarter rose to €5.3 million as compared to €4.4 million in the comparable quarter last year. The first quarter revenues included a €2 million contribution from Microsoft (pursuant to the multi-year deal announced in January 2007), compared to €2.2 million in the comparable quarter last year. On a constant exchange rate basis, total license revenues would have been €5.7 million for the first quarter.

- Service revenues declined by 2% to €5.7 million compared to the same quarter last year, and contributed 52% to total revenues. On a constant exchange rate basis, total service revenues would have been €6.0 million for the first quarter.

## Expenses

- Gross margin for the first quarter improved to 78.1% of total revenues, as compared to 77.6% in the same quarter last year. This improvement was achieved despite higher cost of revenues from the 5View product line.
- Operating expenses for the first quarter totaled €8.2 million, up from €7.8 million in the comparable quarter last year.
  - Sales & marketing expenses stood at €3.8 million for the first quarter, stable with the comparable quarter last year. This productivity improvement is largely due to cost optimization efforts during the quarter and past fiscal year.
  - General & administrative expenses were €1.5 million in the first quarter, representing 13% of total revenues. The 10% year-on-year decline in General & administrative expenses is largely due to the ongoing efforts to reduce professional fees as well as the drop in executive management costs.
  - Research & development expenditures totaled €2.8 million, or 25% of total revenues, in the first quarter, as compared to €2.3 million in the same quarter last year. Although the recently acquired 5View development team accounts for €0.2 million of the first quarter total, R&D spending as a percentage of total sales remains above the Company's objective. Consequently, management has taken steps to optimize total R&D costs, which should start yielding results in the coming quarters.
- No further losses were recorded on the financial assets previously placed in money market funds affected by the US subprime crisis. As at September 30, 2008, InfoVista no longer held these affected investments.
- Total headcount as at September 30, 2008 was 258, an increase in comparison to 230 at the end of September 2007.

## Earnings

- InfoVista achieved a €0.4 million operating profit in the first quarter, as compared to €0.2 million operating profit for the same quarter last year. Net income of €0.5 million was achieved for the first quarter compared to a €0.2 million net loss in the same quarter last year.

## Balance Sheet

- Days Sales Outstanding (DSO) stood at 77 days at the end of the first quarter, compared to 65 days one year earlier. Although DSO has increased year-on-year, the first quarter's DSO remains well below the Company's normal trend of around 90 days.
- As at September 30, 2008, InfoVista's balance sheet remains strong, with no debt and with cash and cash equivalents at €22 million.
- As at September 30, 2008, there were a total of 19,349,829 and 17,915,115 InfoVista shares issued and outstanding, respectively.

## **Q1 Operational Highlights**

### **Revenue Drivers in the First Quarter:**

- Total first quarter revenues in the Americas region amounted to €4.6 million, down 8% from the same period a year ago, and accounted for 42% of total revenues. On a constant exchange rate basis, total revenues in the Americas region amounted to €5.2 million, up 4% from the same period last year. The quarter's performance included repeat orders from longstanding customers such as Bell Canada, US Cellular and Motorola. In addition, the Company added TDS as a new customer. First quarter revenues in the Americas included a €2 million contribution from Microsoft Corporation, pursuant to the multi-year deal announced in January 2007.
- EMEA represented 49% of total revenues for the quarter that amounted to €5.4 million, a 35% increase compared to €4.0 million a year earlier. Excluding 5View business, total revenues from the EMEA region grew by 15%. InfoVista secured several new customers in the region, largely from emerging markets in Africa with Tunisie Telecom and the Middle East with Atheed Telecom of Saudi Arabia.
- While total revenues in Asia Pacific dropped by 17% to €1 million and were roughly unchanged on a constant dollar basis in the first quarter, InfoVista is gradually rebuilding momentum in the region under its new management team. Total revenues in that region accounted for 9% of total revenues in the first quarter. InfoVista received a new order from Railcorp in Australia, as well as repeat orders from Indosat in Indonesia and Australia's Optus.
- Revenues from the direct sales channel increased to €7.3 million in the quarter, accounting for 66% of total revenues. Indirect revenues stood at €3.7 million, representing 34% of total revenues for the quarter.
- InfoVista's service provider revenues amounted to €8.3 million, or 76% of total revenues.

### **New Partnership with Tektronix**

InfoVista has announced a partnership with Tektronix Inc, the leading worldwide provider of test, measurement and monitoring instrumentation. The partnership allows both companies to leverage each other's expertise to deliver end-to-end performance management and monitoring solutions to service providers and carriers.

Under the terms of the agreement, Tektronix will resell InfoVista's complete suite of performance management solutions on a worldwide basis. Both companies will leverage their leadership in the service provider market and this agreement will allow InfoVista to extend its coverage into the mobile carrier segment where Tektronix is particularly present.

### **Conference call**

InfoVista will host an investor conference call today at 10:00 a.m. (EST) / 2:00 p.m. (UK) / 3:00 p.m. (Continental Europe). The call will be available by dialing +33 (0)1 70 99 43 04 in France, +44 (0)20 7806 1966 in the UK, or +1 718 354 1391 in North America and in each case followed by access code 8888540. A replay will be available shortly after the end of the call at the following numbers: France: +33 (0)1 71 23 02 48, UK: +44 (0)20 7806 1970, North America: +1 718 354 1112 – all with Pin code 8888540#.

## **About InfoVista**

InfoVista is the Service-Centric Performance Management Software Company that assures the optimal delivery of business-critical IT services. Driven by a uniquely adaptive and real-time technology foundation, InfoVista solutions improve business effectiveness, reduce operating risk, lower cost of operations, increase agility and create competitive advantage. Representative customers include ABN AMRO, Allstream, Banques Populaires, AXA, Banque de France, Bell Canada, British Telecom, Broadwing Communications, Cable & Wireless, Com Hem, Defense Information Systems Agency (DISA), Deloitte, Deutsche Telekom, France Telecom, Savvis Corporation, SingTel, Telefonica, and US Cellular . A Software Magazine 500 company, InfoVista stock is traded on Euronext (FR0004031649). For more information about the company, please visit [www.infovista.com](http://www.infovista.com).

Except for historical information contained herein, the matters discussed in this news release are "forward looking statements." These statements involve risks and uncertainties which could cause actual results to differ materially from those in such forward-looking statements; including, without limitation, risks and uncertainties arising from the rapid evolution of our markets, competition, market acceptance of our products, our dependence upon spending by the telecommunications industry and our ability to develop and protect new technologies. For a description of other factors which might affect our actual results, please see the "Risk Factors" section and other disclosures in InfoVista's public filings with and French Autorité des Marchés Financiers. Readers of this news release are cautioned not to put undue reliance on any forward-looking statement. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

*InfoVista are the registered trademark of InfoVista, S.A.*

**INFOVISTA**  
**CONSOLIDATED INCOME STATEMENTS**

(In thousands, except for share and per share data)

The table presented below represents the consolidated income statements in accordance with IFRS

	<b>For the three months ended</b>			
	<b>September 30,</b>			
	<b>2008</b>		<b>2007</b>	
	(unaudited)		(unaudited)	
<b>Revenues</b>				
License revenues	€	5,312	€	4,406
Service revenues		5,682		5,811
<b>Total</b>		<b>10,994</b>		<b>10,217</b>
<b>Cost of revenues</b>				
Cost of licenses		266		134
Cost of services		2,137		2,151
<b>Total</b>		<b>2,403</b>		<b>2,285</b>
<b>Gross profit</b>		<b>8,591</b>		<b>7,932</b>
<b>Operating expenses</b>				
Sales and marketing expenses		3,817		3,821
Research and development expenses		2,766		2,310
General and administrative expenses		1,464		1,636
Amortization of acquired intangible assets		114		-
<b>Total</b>		<b>8,161</b>		<b>7,767</b>
<b>Operating profit</b>		<b>430</b>		<b>165</b>
Financial revenue		150		166
Financial costs		(6)		(382)
Net foreign currency transaction losses		(6)		(119)
Impairment on investment securities		-		(20)
<b>Financial profit (loss)</b>		<b>138</b>		<b>(355)</b>
<b>Profit (loss) before income taxes</b>		<b>568</b>		<b>(190)</b>
Income tax expense		(60)		(37)
<b>Profit (loss)</b>	<b>€</b>	<b>508</b>	<b>€</b>	<b>(227)</b>
Basic profit (loss) per share	€	0.03	€	(0.01)
Diluted profit (loss) per share	€	0.03	€	(0.01)
Basic weighted average shares outstanding		18,417,683		18,624,276
Diluted weighted average shares outstanding		18,443,090		18,624,276

**INFOVISTA**  
**CONSOLIDATED BALANCE SHEETS**  
(In thousands)

The table presented below represents the consolidated balance sheets in accordance with IFRS

	As of	
	September 30, 2008	June 30, 2008
	(unaudited)	
<b>ASSETS</b>		
Goodwill	€ 9,268	€ 9,268
Other intangible assets, net	2,490	2,660
Tangible assets, net	1,551	1,689
Other non-current assets	673	680
<b>Total non-current assets</b>	<b>13,982</b>	<b>14,297</b>
Accounts receivables, net	9,404	11,993
Other current assets	1,505	1,641
Financial assets	-	4,173
Cash and cash equivalents	22,002	17,751
<b>Total current assets</b>	<b>32,911</b>	<b>35,558</b>
<b>Total assets</b>	<b>€ 46,893</b>	<b>€ 49,855</b>
<b>EQUITY</b>		
Issued capital	€ 10,449	€ 10,449
Share premium	82,575	82,562
Treasury shares	(4,274)	(3,525)
Currency translation differences	(1,675)	(1,997)
Accumulated deficit	(52,119)	(52,627)
<b>Total equity</b>	<b>34,956</b>	<b>34,862</b>
<b>LIABILITIES</b>		
Deferred revenues - non-current	497	461
Other non-current liabilities	256	232
<b>Total non-current liabilities</b>	<b>753</b>	<b>693</b>
Accounts payables	1,548	2,144
Accrued salaries and commissions	1,665	2,036
Accrued social security and payroll taxes	952	1,923
Accrued VAT	264	432
Deferred revenues - current	6,430	7,591
Other current liabilities	325	174
<b>Total current liabilities</b>	<b>11,184</b>	<b>14,300</b>
<b>Total liabilities and equity</b>	<b>€ 46,893</b>	<b>€ 49,855</b>