



For Immediate Release

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INFOVISTA REPORTS Q3 FY09 RESULTS

- Strong operating margin (excluding €1.5 million restructuring charges) underscores good execution of restructuring plan announced in January

Paris, France – May 5, 2009 – InfoVista (Euronext: IFV, ISIN: FR0004031649), the leading Proactive Service Assurance management software company, today announced financial results for the third quarter, ended March 31, 2009, of its 2008/09 fiscal year.

During the quarter, InfoVista announced a restructuring program aimed at generating savings of approximately €3 million on an annual basis. Excluding restructuring charges totaling €1.5 million in line with the cost-reduction plan, the Company would have achieved operating income of €1.0 million in the third quarter of this year. The 24% year-on-year reduction in operating expenses demonstrates the Company's commitment to achieving its annual 6% operating margin objective.

Total revenues for the quarter were €10.9 million, a decrease of 10.7% from the comparable quarter last year, and down 6.9% sequentially. InfoVista reported an operating loss of €0.5 million and a net loss of €0.4 million, as compared to operating income of €0.2 million and net loss of €2.2 million in the comparable quarter last year.

Commenting on the quarter, Chief Executive Officer Philippe Ozanian said: "I am pleased that once again this quarter we were able to contain the impact of the current economic situation on our bottom line. Though adverse conditions have clearly curtailed the top line growth we had forecasted for this fiscal year, our swift action this quarter enabled us to already exceed the profitability targets we had set. Thanks to the smooth execution of our restructuring plan, our cost base was speedily aligned to current and foreseen market conditions, with minimal disruption in the organization. And we have continued making progress on technological innovation with the introduction of our 5View Service Data Manager and Application Optimization Manager that brings a number of "firsts" to the market."

Q3 Financial Highlights

Revenues

- Total revenues for the third quarter stood at €10.9 million, a decrease of 10.7% compared to the third quarter last year.

- License revenues for the third quarter declined to €5.1 million as compared to €6.9 million in the same quarter last year, representing 47% of total revenues. Service revenues, at €5.8 million, amounted to 53% of total revenues for the third quarter.

Expenses

- Gross margin in the third quarter stood at 76% of revenues as compared to gross margin of 80% for the same quarter the previous year. The gross margin level reflects the higher revenue contribution from services, which carry lower margins than licenses.
- Excluding restructuring charges of €1.5 million, operating expenses for the third quarter would have totaled €7.3 million. The 24% year-on-year drop came from:
 - 29% reduction in sales & marketing expenses that stood at €3.6 million, representing 33% of total revenues as compared to €5.1 million, or 42% of total revenues, in the same quarter a year ago. The decrease primarily reflects lower personnel costs due to ongoing sales force reductions combined with the January reduction of approximately 10 sales & marketing positions, chiefly in the Americas region.
 - 14% decline in general & administrative expenses that totaled €1.4 million, or 13% of total revenues, as compared to €1.6 million, or 13% of total revenues, in the previous third quarter. These savings have once again been achieved through tighter cost management and lower provisions for doubtful receivables.
 - 22% savings in research & development expenditure that totaled €2.1 million or 20% of total revenues, compared to €2.7 million or 22% of total revenues, for the comparable quarter the previous year. This decrease is primarily due to a €0.6 million net R&D tax credit in France claimed for the 2008 calendar year.
- During the quarter, the Company incurred restructuring charges of €1.5 million for a cost-reduction plan that reduces InfoVista's workforce by approximately 30 positions (about two-thirds in France and one-third in other markets), or 12% of the Company's worldwide headcount.
- As at March 31, 2009, InfoVista had 232 employees as compared to 256 employees one year earlier.

Balance Sheet

- Days Sales Outstanding (DSO) stood at 92 days for the third quarter, as compared to 70 days in the same quarter of last year. This increase is primarily due to slower cash collections in the EMEA region.
- At March 31, 2009, InfoVista's cash and cash equivalents amounted to €23 million, unchanged compared to the end of the second quarter. The Company remains debt-free.
- At March 31, 2009, there were a total of 18,649,829 and 17,452,616 InfoVista shares issued and outstanding, respectively. InfoVista's Board of Directors, which met on April 29, 2009, has decided to cancel 650,000 of the Company's shares.
- At March 31, 2009, the Company allocated €39,146 cash and 17,725 shares to the liquidity account, announced on October 3, 2008.

Q3 Operational Highlights

Revenue Drivers:

- Total third quarter revenues in the Americas region amounted to €4.4 million, down 14% from the same period a year ago, and accounted for 41% of total revenues. At a constant exchange rate, third quarter revenues for the Americas region would have been down 23% from the same period a year ago. In the US, business remained challenging, as a result of lengthening sales cycles, postponement of projects, and tougher market conditions. Much of the license business won in the quarter consists of repeat business. In the third quarter, InfoVista recorded €1.5 million of license revenues for the multi-year agreement with Microsoft signed in December 2007.
- EMEA revenues, representing 49% of the total for the third quarter, amounted to €5.4 million, a 13% decrease compared to €6.2 million in the same quarter a year earlier. In mainland Europe, market conditions are difficult, however the Company continued to gain market share in emerging countries. This quarter's revenues included a significant first win from an Eastern European mobile telephony operator.
- Total revenues in Asia Pacific rose by 19% year-on-year to €1.1 million compared to €1.0 million the prior year and accounted for 10% of total revenues in the third quarter. InfoVista won a significant repeat deal with a large Australian telecommunications operator.
- Revenues from the direct sales channel declined to €7.8 million in the quarter, accounting for 72% of total revenues. Indirect revenues stood at €3.1 million, representing 28% of total revenues for the quarter. InfoVista's service provider revenues amounted to €7.7 million, or 71% of total revenues.

Technical Developments

- In the quarter, InfoVista announced a number of industry firsts, including WAN optimization assurance and unification of network and application performance management. The launch incorporated the announcement of two new products, 5View Service Data Manager (including Application Usage Manager) and Application Optimization Manager.
- Both of the new products are integrated with the VistaFoundation platform that has created a carrier-class and large enterprise solution for application usage visibility and WAN optimization assurance. The Application Optimization Manager has also a standalone capability that creates a strong go-to-market offering with our partner Cisco Systems.
- The Service Data Manager in conjunction with a new and enhanced 5View NetFlow Appliance extends the VistaInsight for Networks VPN reporting capability into the application layer. These developments are the realization of the key objective behind the acquisition of the 5View technology.
- Finally, VistaFoundation Kit 4.1 was released on time on March 31. The revised architecture builds new features on top of changes introduced in VistaFoundation Kit 4.0, with a constant focus on stability and upgrade capability. The new features include VistaPortal email scheduling, time zone shifting and improved monitoring via VistaCockpit leveraging new pages and new capabilities.

Partnership Developments

- In the third quarter, InfoVista won a first deal based on its partnership with Cisco, announced in December 2008. The Company continues to develop business through its recently announced partnerships to enable incremental revenue sources in the following fiscal year.

Conference call

InfoVista will host an investor conference call today at 9:00 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 42 71 in France, +44 (0)20 7138 0824 in the UK, or +1 212 444 0481 in North America and in each case followed by access code 9056234. 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 access code 9056234#.

About InfoVista

InfoVista enables managed service providers, mobile operators, broadband operators and enterprise IT organizations to ensure the availability and quality of the services they deliver at the lowest possible cost, empowering these organizations to successfully make the transformation from infrastructure providers to service providers. Our customers rely on InfoVista's proven solutions for service and infrastructure performance management to successfully launch new and high performance services, foresee potential service issues before they impact end users, reduce customer churn, and invest appropriately. Sample customers include Bell Canada, Bharti, BNP Paribas, Cable & Wireless, Citigroup, Deutsche Telekom, JP Morgan Chase, KPN International, SFR, T-Mobile, Telefonica, and Telstra. InfoVista is traded on the Euronext Paris (FR0004031649) and can be found online at 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 of our annual report and other disclosures in InfoVista's public filings with the 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 is a 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

	For the nine months ended		For the three months ended	
	March 31,		March 31,	
	2009	2008	2009	2008
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenues				
License revenues	€ 15,727	€ 17,374	€ 5,127	€ 6,949
Service revenues	17,922	16,424	5,796	5,285
Total	33,649	33,798	10,923	12,234
Cost of revenues				
Cost of licenses	813	792	271	388
Cost of services	6,843	6,195	2,317	2,030
Total	7,656	6,987	2,588	2,418
Gross profit	25,993	26,811	8,335	9,816
Operating expenses				
Sales and marketing expenses	11,726	13,019	3,614	5,113
Research and development expenses	7,379	7,790	2,149	2,745
General and administrative expenses	4,334	5,017	1,420	1,642
Restructuring costs	1,534	-	1,534	-
Amortization of acquired intangible assets	343	153	114	114
Total	25,316	25,979	8,831	9,614
Operating profit (loss)	677	832	(496)	202
Financial revenues	518	600	110	147
Financial costs	(36)	(3,308)	(14)	(2,452)
Net foreign currency transaction gain (losses)	18	(253)	65	(80)
Financial profit (loss)	500	(2,961)	161	(2,385)
Profit before income taxes	1,177	(2,129)	(335)	(2,183)
Income tax (expense) profit	(131)	104	(31)	(66)
Profit (loss)	€ 1,046	€ (2,025)	€ (366)	€ (2,249)
Basic profit (loss) per share	€ 0.06	€ (0.11)	€ (0.02)	€ (0.12)
Diluted profit (loss) per share	€ 0.06	€ (0.11)	€ (0.02)	€ (0.12)
Basic weighted average shares outstanding	17,752,094	18,658,318	17,455,651	18,666,877
Diluted weighted average shares outstanding	17,777,409	18,658,318	17,455,651	18,666,877

INFOVISTA
CONSOLIDATED BALANCE SHEETS
(In thousands)

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

	As of	
	March 31, 2009 (unaudited)	June 30, 2008
ASSETS		
Goodwill	€ 9,268	€ 9,268
Other intangible assets, net	2,163	2,660
Tangible assets, net	1,342	1,689
Other non-current assets	657	680
Total non-current assets	13,430	14,297
Accounts receivables, net	11,176	11,993
Other current assets	2,869	1,641
Financial assets	-	4,173
Cash and cash equivalents	23,018	17,751
Total current assets	37,063	35,558
Total assets	€ 50,493	€ 49,855
EQUITY		
Issued capital	€ 10,071	€ 10,449
Share premium	80,141	82,562
Treasury shares	(2,383)	(3,525)
Currency translation differences	(1,564)	(1,997)
Accumulated deficit	(51,581)	(52,627)
Total equity	34,684	34,862
LIABILITIES		
Deferred revenues - non-current	502	461
Other non-current liabilities	282	232
Total non-current liabilities	784	693
Accounts payables	1,795	2,144
Accrued salaries and commissions	1,816	2,036
Accrued social security and payroll taxes	1,491	1,923
Accrued VAT	258	432
Deferred revenues - current	8,541	7,591
Other current liabilities	1,124	174
Total current liabilities	15,025	14,300
Total liabilities and equity	€ 50,493	€ 49,855