

WAVECOM S.A.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except for share and per share data)

Prepared in accordance with U.S. generally accepted accounting principles.

	<u>June 30,</u> <u>2004</u>	<u>Three months ended</u> <u>March 31,</u> <u>2005</u>	<u>June 30,</u> <u>2005</u>
	Euro	Euro	Euro
Revenues :			
Product sales	38 559	34 868	30 306
Technology development and other services	395	110	420
Licensing revenue.....	-	<u>3 391</u>	-
	<u>38 954</u>	<u>38 369</u>	<u>30 726</u>
Cost of revenues :			
Cost of goods sold.....	26 956	21 037	16 050
Cost of services and licensing.....	2 221	60	334
	<u>29 177</u>	<u>21 097</u>	<u>16 384</u>
Gross profit	9 777	17 272	14 342
Operating expenses :			
Research and development	14 352	5 869	6 034
Sales and marketing	4 274	3 048	2 910
General and administrative.....	11 739	4 514	4 513
Impairment of intangible assets.....	1 768	-	-
Restructuring costs.....	<u>5 170</u>	<u>2 086</u>	<u>(711)</u>
Total operating expenses	<u>37 303</u>	<u>15 517</u>	<u>12 746</u>
Operating income (loss).....	<u>(27 526)</u>	<u>1 755</u>	<u>1 596</u>
Gain on sales of long-term investments.....	1 166	-	-
Interest income and other financial income, net.....	696	254	235
Foreign exchange gain, net.....	<u>218</u>	<u>1 447</u>	<u>1 981</u>
Total financial income	<u>2 080</u>	<u>1 701</u>	<u>2 216</u>
Gain (loss) before minority interests and income taxes.....	(25 446)	3 456	3 812
Minority interests	-	-	-
Gain (loss) before income taxes	(25 446)	3 456	3 812
Income tax expense (benefit)	<u>(145)</u>	<u>378</u>	<u>21</u>
Net income (loss).....	<u>(25 301)</u>	<u>3 078</u>	<u>3 791</u>
Basic net gain (loss) per share	<u>(1.65)</u>	<u>0.20</u>	<u>0.25</u>
Diluted net gain (loss) per share.....	<u>(1.65)</u>	<u>0.20</u>	<u>0.24</u>
Number of shares used for computing :			
- basic net income (loss) per share	15 342 435	15 349 945	15 349 945
- diluted net income (loss) per share	15 342 435	15 412 776	15 491 724