

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.

	Six months ended June 30,	
	2004	2005
	Euro	Euro
Revenues :		
Product sales	76 857	65 174
Technology development and other services	832	530
Licensing revenue.....	-	3 391
	77 689	69 095
Cost of revenues :		
Cost of goods sold.....	57 051	37 087
Cost of services and licensing.....	3 665	394
	60 716	37 481
Gross profit	16 973	31 614
Operating expenses :		
Research and development	28 454	11 903
Sales and marketing	7 613	5 958
General and administrative.....	18 057	9 027
Impairment of intangible assets.....	1 768	-
Restructuring costs.....	6 249	1 375
Total operating expenses	62 141	28 263
Operating income (loss).....	(45 168)	3 351
Gain on sales of long-term investments.....	1 166	-
Interest income and other financial income, net.....	1 175	489
Foreign exchange gain, net.....	2 457	3 428
Total financial income	4 798	3 917
Gain (loss) before minority interests and income taxes.....	(40 370)	7 268
Minority interests	-	-
Gain (loss) before income taxes	(40 370)	7 268
Income tax expense (benefit)	(263)	399
Net income (loss).....	(40 107)	6 869
Basic net gain (loss) per share	(2.62)	0.45
Diluted net gain (loss) per share.....	(2.62)	0.44
Number of shares used for computing :		
- basic net income (loss) per share	15 292 223	15 349 945
- diluted net income (loss) per share	15 292 223	15 446 100