

**BRANCHEZ-VOUS! INC.**

**FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005**

**BRANCHEZ-VOUS! INC.**

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## AUDITORS' REPORT

To the Shareholders of  
**BRANCHEZ-VOUS! Inc.**

We have audited the balance sheets of **BRANCHEZ-VOUS! Inc.** as at December 31, 2006 and 2005 and the statements of earnings, retained earnings and contributed surplus and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2006 and 2005 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

*Demers Beaulne, LLP*

Chartered Accountants

Montreal, March 26, 2007

**BRANCHEZ-VOUS! INC.**

**STATEMENT OF EARNINGS  
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005**

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	<u>2006</u>	<u>2005</u>
<b>REVENUES</b>		
Advertising	\$ 3,405,284	\$ 2,591,111
Other	<u>39,080</u>	<u>38,150</u>
	3,444,364	2,629,261
<b>COST OF REVENUES</b>	<u>1,402,507</u>	<u>870,423</u>
<b>GROSS PROFIT</b>	2,041,857	1,758,838
<b>OPERATING EXPENSES (Note 3)</b>	<u>1,767,866</u>	<u>1,205,785</u>
<b>NET EARNINGS</b>	<u>\$ 273,991</u>	<u>\$ 553,053</u>
 <b>EARNINGS PER SHARE</b>		
Basic and diluted (Note 8)	\$ <u>0.01</u>	\$ <u>0.02</u>
Weighted average number of outstanding common shares	<u>29,185,849</u>	<u>28,974,187</u>

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

BRANCHEZ-VOUS! INC.

STATEMENT OF RETAINED EARNINGS AND CONTRIBUTED SURPLUS  
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

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	2006	2005
<b>DEFICIT - BEGINNING OF YEAR</b>	\$ (1,800,562)	\$ (2,353,615)
Net earnings	273,991	553,053
Reduction of deficit (Note 4)	<u>1,750,079</u>	<u>-</u>
<b>RETAINED EARNINGS (DEFICIT) - END OF YEAR</b>	\$ <u>223,508</u>	\$ <u>(1,800,562)</u>
<b>CONTRIBUTED SURPLUS - BEGINNING OF YEAR</b>	\$ 152,350	\$ 152,350
Reduction of contributed surplus resulting from reduction of accumulated deficit	(152,350)	-
Stock options	<u>23,402</u>	<u>-</u>
<b>CONTRIBUTED SURPLUS - END OF YEAR</b>	\$ <u>23,402</u>	\$ <u>152,350</u>

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