



**Consolidated Financial Statements
(unaudited)**

**For the three and nine months ended
September 28, 2007**

NOTICE TO READERS OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of Roctest Ltd and the accompanying interim consolidated balance sheet as at September 28, 2007 and the interim consolidated statements of earnings, comprehensive income and cash flows for the three month and nine month periods ended September 28, 2007 and September 29, 2006 are the responsibility of the Company's management. These financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company.

The interim unaudited consolidated financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with Canadian generally accepted accounting principles.

Signed

François Cordeau
President and Chief Executive Officer
October 26, 2007

Signed

Patrick Savaria
Finance Director
October 26, 2007



Consolidated Statements of Earnings (unaudited)

Subject to year-end adjustment

	Three-month periods ended		Nine-month periods ended	
	September 28, 2007	September 29, 2006	September 28, 2007	September 29, 2006
	\$	\$	\$	\$
Sales	5,232,963	5,194,348	15,290,038	14,889,911
Cost of sales	3,107,700	3,396,576	9,404,369	9,248,159
	2,125,263	1,797,772	5,885,669	5,641,752
Expenses				
Sales and administration	1,649,826	1,676,852	5,171,222	5,004,559
Scientific research costs, net of grants and refundable tax credits (note 1)	302,361	373,512	1,123,719	1,086,838
Amortization	257,160	289,862	766,731	870,848
Interest on long-term debt ^(*)	54,146	66,241	181,437	147,963
Foreign exchange loss(gain)	16,012	(695)	89,647	184,700
Cost reduction plan	125,000	300,000	125,000	300,000
	2,404,505	2,705,772	7,457,756	7,594,908
Loss before income taxes	(279,242)	(908,000)	(1,572,087)	(1,953,156)
Provision for income taxes				
Current	26,865	78,990	102,734	72,382
Future	-	(409,643)	-	(766,386)
	26,865	(330,653)	102,734	(694,004)
Loss for the period	(306,107)	(577,347)	(1,674,821)	(1,259,152)
Loss per share				
Basic	(0,05)	(0,11)	(0,30)	(0,24)
Diluted	(0,05)	(0,11)	(0,30)	(0,24)
Weighted average number of shares outstanding.				
Basic	5,563,071	5,335,235	5,563,071	5,335,235
Diluted	5,563,071	5,344,461	5,563,071	5,344,461

See accompanying notes to consolidated financial statements

(*) : Due to the fact that the Company does not respect certain financial ratios, long term debt installments due within one year include an amount of \$ 2,404,144, which would have been beyond 2007 if ratios were respected, and which were previously classified as long-term debt.

Consolidated Statements of Comprehensive Income (unaudited)

Subject to year-end adjustment

	Three-month periods ended		Nine-month periods ended	
	September 28, 2007	September 29, 2006	September 28, 2007	September 29, 2006
	\$	\$	\$	\$
Net Loss	(306,107)	(577,347)	(1,674,821)	(1,259,152)
Unrealized gain and losses on translating financial statements of self-sustaining foreign operations	(73,465)	(69,431)	(260,727)	12,176
Comprehensive income	(379,572)	(646,778)	(1,935,548)	(1,246,976)

See accompanying notes to consolidated financial statements

Consolidated Balance Sheets (unaudited)

Subject to year-end adjustment

	As at	
	September 28, 2007	December 29, 2006
	\$	\$
Assets		
Current Assets		
Cash and cash equivalents	788,975	2,291,953
Temporary investments	37,528	75,200
Accounts receivable	4,614,211	6,441,447
Research and development tax credits receivable	1,412,758	972,545
Income taxes receivable	33,741	89,696
Inventories	3,478,352	3,704,965
Prepaid expenses	404,878	263,082
Future income taxes	23,751	28,556
	10,794,194	13,867,444
Research and development tax credits receivable	1,549,375	1,549,375
Property, plant and equipment	4,898,669	5,455,765
Intangible assets	1,441,799	1,472,220
Goodwill	2,332,631	2,332,631
Other assets	-	1,230
Future income taxes	978,395	978,395
	21,995,063	25,657,060
Liabilities		
Current liabilities		
Bank advances	507,213	1,039,372
Accounts payable	4,759,653	4,978,079
Income taxes payable	49,400	-
Instalments on long-term debt	3,026,521	4,041,893
	8,342,787	10,059,344
Long term debt	676,450	775,046
Fair value of an interest rate swap	15,579	16,869
	9,034,816	10,851,259
Shareholders' Equity		
Capital stock (Note 2)	6,628,330	6,628,330
Warrants	494,208	494,208
Contributed surplus	450,529	360,529
Retained earnings	6,053,908	7,728,735
Accumulated other comprehensive income – (Loss)	(666,728)	(406,001)
	12,960,247	14,805,801
	21,995,063	25,657,060

See accompanying notes to consolidated financial statements

Consolidated Statement of Cash Flows (unaudited)

Subject to year-end adjustment

	Three-month periods ended		Nine-month periods ended	
	September 28, 2007	September 29, 2006	September 28, 2007	September 29, 2006
	\$	\$	\$	\$
Cash flows from				
Operating activities				
Net loss for the period	(306,107)	(577,347)	(1,674,821)	(1,259,152)
Non-cash items				
Amortization	257,160	289,862	766,731	870,848
Future income taxes	-	(409,643)	-	(766,386)
Stock-based compensation	30,000	30,000	90,000	90,000
Changes in non-cash working capital items	1,099,583	72,262	783,946	(964,288)
Cash flows from operating activities	1,080,636	(594,866)	34,144	(2,028,978)
Financing activities				
Bank advances	(323,620)	-	(532,159)	(930,492)
Long term debt	-	463,450	64,000	2,473,524
Instalments on long-term debt(*)	(271,488)	(477,726)	(853,300)	(858,196)
Cash flows from financing activities	(595,108)	(14,276)	(1,321,459)	684,836
Investing activities				
Decrease in temporary investments	34,747		34,747	
Business acquisitions	-	-	-	(1,189,233)
Property, plant and equipment	(56,366)	(98,945)	(230,367)	(639,303)
Intangible assets and other assets	(11,351)	-	(20,043)	(56,419)
Cash flow from investing activities	(32,970)	(98,945)	(215,663)	(1,884,955)
Net increase (decrease) in cash and cash equivalents during the period	452,558	(708,087)	(1,502,978)	(3,229,097)
Cash and cash equivalents – beginning of period	336,417	2,518,489	2,291,953	5,039,499
Cash and cash equivalents – end of period	788,975	1,810,402	788,975	1,810,402

See accompanying notes to consolidated financial statements

(*) : Due to the fact that the Company does not respect certain financial ratios, long term debt installments due within one year include an amount of \$ 2,404,144, which would have been beyond 2007 if ratios were respected, and which were previously classified as long-term debt.

Notes to Consolidated Financial Statements

Three-month and nine-month periods ended September 28, 2007 and September 29, 2006
(unaudited)

1. Significant Accounting policies :

Basic presentation

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The accounting policies and method used to prepare those financial statements are the same as those used in the preparation of the audited consolidated financial statements for the year ended December 29, 2006, except for accounting policies adopted on January 1st, 2007, described below. These interim consolidated financial statements should be read in conjunction with the annual audited financial statements, related notes and Management's discussion and analysis included in the 2006 annual report of the Company, as well as with the Management report for the period ended September 28, 2007 and September 29, 2006.

Certain comparative figures for the previous year have been restated to conform to the presentation adopted for the fiscal year 2007. Since the last quarter of the preceding year, the Company only records refundable tax credits. This had a negative impact amounting to \$322,000 compared to the same period in 2006.

Accounting policies recently adopted

Financial instruments, recognition and measurement

On January 1st 2007, the Company adopted the new requirements of the CICA Handbook relating to the recognition and measurement of financial instruments. This section has to be adopted for fiscal years beginning on or after October 1, 2006. This section indicates when and at what amount a financial instrument has to be recorded in the balance sheet as well as the disclosure of gain or losses in the financial statements. Financial assets available for sale, financial assets or liabilities held for trading and derivatives, designated or not as a hedge, have to be valued at their fair value.

Comprehensive Income

On January 1st 2007, the Company adopted the new requirements of the CICA Handbook relating to comprehensive income. These recommendations have to be adopted for fiscal years beginning on or after October 1, 2006. This Section establishes standards for reporting and display of comprehensive income. Comprehensive income is the change in equity of an enterprise resulting from transactions and other events unrelated to the shareholders. These transactions and events include namely the change in the cumulative translation adjustment of self-sustained foreign operations and the unrealized gains or losses relating to fair value adjustments of certain financial instruments.

The impact of the revaluation of the financial assets and liabilities at their fair value as at January 1st, 2007 did not give rise to a material adjustment. Elements recorded in the opening balance of the other elements of the comprehensive income statement include the net unrealized exchange loss on conversion of self-sustained foreign subsidiaries of \$406,001 as at December 29, 2006.

The consolidated financial statements include a consolidated statement of comprehensive income, the accumulated amount being the other elements of comprehensive income is presented in a separate section of shareholders' equity.

Notes to Consolidated Financial Statements

Three-month and nine-month periods ended September 28, 2007 and September 29, 2006
(unaudited)

2. Capital-stock

Authorized

An unlimited number of shares without par value.

Voting and participating common shares.

Preferred shares, issuable in series, dividend and redemption value to be determined by the directors at the time of issuance.

Issued and fully paid	September 28, 2007	December 29, 2006
	\$	\$
5,563,071 common shares	6,628,330	6,628,330

Earnings per share

The following table presents the reconciliation of numerators and denominators for assessing earnings per share on a basic and diluted basis :

	September 28, 2007	September 29, 2006
Average number of common shares		
Weighted average number of shares outstanding	5,563,071	5,335,235
Dilutive effect of stock options	-	9,126
	<u>5,563,071</u>	<u>5,344,461</u>

Subscription warrants and stock options were excluded in the diluted earnings because they would have had an anti-dilutive effect.

Stock options

The Company has a stock option plan for its management, directors and employees. The total number of shares which may be issued under the plan could not exceed 666,182 common shares. In addition, no beneficiary of the plan may be allotted more than 5% of the issued common shares. No option may be outstanding more than ten years.

The exercise price is the value of the common shares at the grant date. Options granted under the Plan generally vest over a period of three years, at a rate of 33% per year, starting on the first anniversary of the grant date.

Notes to Consolidated Financial Statements

Three-month and nine-month periods ended September 28, 2007 and September 29, 2006
(unaudited)

	September 28, 2007		December 29, 2006	
	Number of Shares	Weighted average exercised price \$	Number of Shares	Weighted average exercised price \$
Options granted beginning	410,500	2.47	388,685	2.60
Granted	-	-	85,000	2.08
Exercised	-	-	-	-
Cancelled	35,000	1.64	(27,685)	3.87
Options granted end	375,500	2.54	446,000	2.42
Options exercisable at year end	257,840	2.68	216,173	2.56

The exercise price of these options ranges from \$1.75 to \$4.20 and the weighted average remaining contractual life is 4.4 years.

The fair value of each option's grant was estimated on the date of grant using the Black - Scholes option pricing model with the following weighted average assumptions for 2006 grants: dividend yield of 0% for all years; volatility of 57%; risk free interest rate of 4.16% and expected life of five years. During the three month period ended September 28, 2007, no options were granted.

The compensation cost for stock options recognized in earnings for the three month period ended September 28, 2007 amounts to \$30,000 with a corresponding credit to contributed surplus using the fair value method of accounting.

The average value of options granted during the third quarter is nil (\$1,10 for the 2006 fiscal year).

As at September 28, 2007 the following stock options were granted:

Exercise price \$	Number of outstanding options	Weighted average remaining (years)	Weighted average exercise price \$	Number of exercisable options	Weighted average exercise price of exercisable options \$
1.75 to 2.32	79,500	5.8	2.10	16,668	2.31
2.33 to 3.49	281,000	4.2	2.59	226,172	2.62
3.50 to 4.20	15,000	1.4	4.08	15,000	4.08
	375,500	4.4	2.54	257,840	2.68

Notes to Consolidated Financial Statements

Three-month and nine-month periods ended September 28, 2007 and September 29, 2006
(unaudited)

3. Segmented Information

Information by operating segments

	For the three month-period ended September 28, 2007			For the three-month period ended September 29, 2006		
	Civil engineering	Industrial	Total	Civil engineering	Industrial	Total
Sales to third parties	4,037,256	1,195,707	5,232,963	3,860,886	1,333,462	5,194,348
Sales to related parties(a)	14,067	61,205	75,272	0	51,319	51,319
Amortization	147,160	110,000	257,160	137,738	152,124	289,862
Interest on long term debt	32,392	21,754	54,146	37,083	29 158	66,241
Income taxes (recovery)	26,865	0	26,865	(229,966)	(100,687)	(330,653)
Net earning (loss)	6,275	(312,382)	(306,107)	(353,447)	(223,900)	(577,347)
Acquisitions for property, plant and equipment	56,366	0	56,366	59,313	39,632	98,945

	For the nine-month period ended September 28, 2007			For the nine-month period ended September 29, 2006		
	Civil engineering	Industrial	Total	Civil engineering	Industrial	Total
Sales to third parties	11,038,781	4,251,257	15,290,038	10,610,416	4,279,495	14,889,911
Sales to related parties(a)	32,661	115,817	148,478	0	240,502	240,502
Amortization	437,486	329,245	766,731	419,476	451,372	870,848
Interest on long term debt	110,363	71,074	181,437	54,740	93,223	147,963
Income taxes (recovery)	102,734	0	102,734	(522,523)	(171,481)	(694,004)
Net loss	(1,029,848)	(644,973)	(1,674,821)	(859,586)	(399,566)	(1,259,152)
Acquisitions for property, plant and equipment	210,436	19,931	230,367	548,024	91,279	639,303

	September 28, 2007			December 29, 2006		
	Civil engineering	Industrial	Total	Civil engineering	Industrial	Total
Segment assets	14,033,032	7,962,031	21,995,063	17,426,086	8,230,974	25,657,060

Information by geographic segments

Sales to third parties(b)

	For the three-month period ended		For the nine-month period ended		Property, plant, equipment, intangible and other assets	
	September 28, 2007	September 29, 2006	September 28, 2007	September 29, 2006	As at	
					September 28, 2007	December 29, 2006
Canada	673,819	440,149	1,550,887	1,661,844	4,860,140	5,222,048
United States	1,641,046	1,134,309	4,041,811	3,713,630	253,622	250,072
France	623,947	1,056,459	3,759,147	3,378,711	1,073,370	1,182,644
Others	2,294,151	2,563,431	5,938,193	6,135,726	2,485,967	2,607,082
Total	5,232,963	5,194,348	15,290,038	14,889,911	8,673,099	9,261,846

(a) Sales to related parties are accounted at the exchange value, which is the amount agreed between the parties.

(b) Sales are attributed to countries based on location of customers.