

## Disclaimer

This document is an unofficial translation of the French offer document and is provided solely for informational purposes. Business Objects shareholders and other investors may obtain official copies of the tender offer materials for the French offer and any other documents filed with the French AMF from the AMF's website ([www.amf-france.org](http://www.amf-france.org)) without charge. This document does NOT apply to the US offer and is not an offer to buy or the solicitation of an offer to sell any Business Objects securities in the US offer. The solicitation and the offer to buy shares, convertible bonds and warrants in the US offer will be made only at the time of the launching of the US offer pursuant to an offer to purchase and related materials that SAP France S.A. intends to file with the US Securities and Exchange Commission (SEC) on Schedule TO. Business Objects shareholders and other investors will be able to obtain copies of the tender offer materials for the US offer and any other documents filed with the SEC at the SEC's website ([www.sec.gov](http://www.sec.gov)), without charge. All materials filed by SAP AG and SAP France S.A. relating to the US offer may also be obtained for free at SAP's web site ([www.sap.com](http://www.sap.com)), and materials filed by Business Objects relating to the US offer may be obtained for free at Business Objects' web site ([www.businessobjects.com](http://www.businessobjects.com)). Stockholders and other investors are urged to read carefully all tender offer materials prior to making any decisions with respect to the tender offer.

## TENDER OFFER

FOR THE SHARES, CONVERTIBLE BONDS (*ORNANE*) AND WARRANTS ISSUED BY



INITIATED BY



SAP FRANCE SA

PRESENTED BY



SAP FRANCE SA  
OFFER DOCUMENT (*NOTE D'INFORMATION*)

TERMS OF THE OFFER:

42 EUROS PER BUSINESS OBJECTS SHARE  
22.55 EUROS PER BUSINESS OBJECTS 2003 WARRANT  
24.96 EUROS PER BUSINESS OBJECTS 2004 WARRANT  
18.87 EUROS PER BUSINESS OBJECTS 2005 WARRANT  
19.69 EUROS PER BUSINESS OBJECTS 2006 WARRANT  
12.01 EUROS PER BUSINESS OBJECTS 2007 WARRANT  
50.65 EUROS PER BUSINESS OBJECTS CONVERTIBLE BOND (*ORNANE*)



Pursuant to Article L. 621-8 of the French Monetary and Financial Code and to Article 231-23 of the General Regulations of the French stock market authority (*Autorité des marchés financiers*) (the "AMF"), the AMF has, in compliance with the clearance decision of the tender offer dated as of November 27, 2007, issued visa no. 07-425 dated as of November 27, 2007 relating to this offer document. This offer document has been prepared by SAP France under the responsibility of the persons having signed this offer document. Pursuant to Article L. 621-8 I of the French Monetary and Financial Code, the visa was granted after the AMF had checked "whether the document is complete and understandable, and whether the information contained in it is consistent". The visa does not imply approval of the opportunity of the transaction or the authentication of the accounting and financial information presented.

IMPORTANT NOTICE

The Offeror intends to request authorization from the AMF, within three months following the close of the Offer, to implement a squeeze-out of the remaining shares of the Company in the event the shares of the Company not tendered in the Offer do not represent more than 5% of the capital or voting rights of the Company, in accordance with Articles 237-14 *et seq.* of the AMF General Regulations.

Moreover, the Offeror intends to request authorization from the AMF, within three months following the closing of the Offer, to implement a squeeze-out of the remaining convertible bonds and warrants issued by the Company not tendered in the Offer in the event the total of the outstanding shares of the Company not tendered in the Offer and the shares that may be issued by the Company as a result of the conversion or exercise of the convertible bonds and warrants issued by the Company not tendered in the Offer, do not represent more than 5% of all the shares of the Company that exist or could be issued as a result of the conversion or the exercise of all the outstanding convertible bonds and warrants issued by the Company.

This offer document is available on the websites of the AMF ([www.amf-france.org](http://www.amf-france.org)) and SAP France ([www.sap.com](http://www.sap.com)), and may be obtained free of charge from:

SAP France SA  
Défense Plaza – 23-25 rue Delarivière Lefoullon  
La Défense 9 – 92064 Paris la Défense Cedex

Deutsche Bank AG  
Paris Branch  
3, av. De Friedland  
75008 Paris

In accordance with the provisions of Article 231-28 of the AMF General Regulations, the legal, financial and accounting information concerning the Offeror will be made available to the public in the same way, at the latest on the day before the opening of the offer.

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## 1 PRESENTATION OF THE OFFER

Pursuant to Section III of Book II and more specifically Article 232-1 *et seq.* of the AMF General Regulations, SAP France S.A., a *société anonyme* with a share capital of 15,360,000 euros, registered with the Companies Registry of Nanterre under number 341 612 687, having its registered office at La Défense Plaza, 23-25 rue Delarivière Lefoullon – La Défense 9, 92064 Paris La Défense Cedex (hereafter referred to as the “Offeror”) is making an offer to the holders of shares, warrants and convertible bonds (as these terms are defined below) issued by Business Objects, a *société anonyme* with a share capital of 9,750,488.20 euros, registered with the Companies Registry of Nanterre under number 379 821 994, having its registered office at 157-159 rue Anatole France, 92300 Levallois-Perret, France (hereafter referred to as “Business Objects” or as the “Company”), to purchase pursuant to the terms and conditions set forth below (the “Offer”):

- (i) any and all of the shares issued by the Company that are traded on Eurolist (*Compartiment A*) of Euronext Paris S.A. (“Euronext Paris”) under ISIN code FR 0004026250, symbol “BOB” (the “Company Shares”), whether existing shares or shares that may be issued upon the exercise of stock options or other existing securities in equity incentive plans granted to employees or Company Warrants (as such term is defined below) or upon conversion of the Company Convertible Bonds (as such term is defined below) granted or issued by the Company, i.e. to the Offeror’s knowledge, a maximum of 111,289,274<sup>1</sup> Company Shares as at September 30, 2007;
- (ii) any and all of the outstanding warrants (*bons de souscription d’actions*) of different categories as described in section 2 below issued by the Company (“Company Warrants”), i.e. to the Offeror’s knowledge, a maximum of 585,000 Company Warrants;
- (iii) any and all of the outstanding bonds convertible into cash or new or existing shares (*obligations remboursables en numéraire ou en actions nouvelles ou existantes*) issued by the Company that are traded on Eurolist under ISIN code FR0010470245 (the “Company Convertible Bonds”), i.e. to the Offeror’s knowledge, a maximum of 10,676,156 Company Convertible Bonds,

The Company Shares, the Company Warrants and the Company Convertible Bonds will be referred to as the “Company Securities.”

Deutsche Bank AG, Paris Branch, as the presenting bank for the Offer, filed the Offer and the offer document (*note d’information*) with the AMF on behalf of the Offeror on October 22, 2007. Pursuant to the provisions of Article 231-13 of the AMF General Regulations, Deutsche Bank AG, Paris Branch, guarantees the content and the irrevocable nature of the undertakings given by the Offeror in connection with the Offer. The Offer shall be conducted using the standard procedure in accordance with the provisions of Articles 232-1 *et seq.* of the AMF General Regulations.

Concurrently with the Offer, the Offeror is also making, on financial terms substantially similar to the terms of the Offer<sup>2</sup> and subject to the same conditions as the Offer, an offer in the United States (hereafter referred to as the “US Offer”, and together with the Offer, the “Offers”) open

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<sup>1</sup> Including a maximum of 250,000 shares that may be issued pursuant to the ESPP Plan 2004 during the exercise period running until November 1<sup>st</sup> 2007, and 500,000 Company shares that may be issued by the Board of Directors to the Trust in connection with the periodic issuance of RSU to the employees.

<sup>2</sup> It being specified that the price offered for the Shares, Convertible Bonds and Warrants tendered in the US Offer will be equal to the price offered in the Offer and that the price offered for the ADSs in the US Offer will be an amount in US dollars equal to the price offered in the Offer for the Shares as determined using the exchange rate published by the Central European Bank on the day immediately following the announcement of the results of the Offer.

to all holders of American Depositary Shares (“ADS”) and to all US holders of other Company Securities.

SAP AG, parent company of the Offeror (“Parent” and together with the Offeror “SAP”), and the Company, entered into a tender offer agreement dated October 7, 2007 (the “Tender Offer Agreement”).

Pursuant to the terms of the Tender Offer Agreement, Parent and the Company have agreed that a wholly-owned subsidiary of Parent will seek to acquire all the Company Securities through concurrent tender offers in France and in the United States.

The Tender Offer Agreement provides that Parent undertakes to file the Offers, directly or through one of its subsidiaries, once the Company's Board of Directors has formally recommended the Offers, upon receipt of the report of the independent expert appointed in accordance with Articles 261-1 *et seq* of the AMF General Regulations.

The Tender Offer Agreement also provides that the Company undertakes not take any action likely to frustrate the Offers.

The Tender Offer Agreement also provides for a payment of a fee equal to 86 million euros by the Company to Parent should the Offer fail due to one of the following reasons:

- in the event a competing bid is made for the Company, if (a) the Company's Board of Directors modifies its recommendation, recommends this competing offer, withdraws its initial recommendation or enters into an agreement in relation to this competing bid, (b) the offer is not cleared by the AMF or the French Ministry of the Economy refuses to approve the Offer before June 30, 2008 (in accordance with section 2.6 below) or (c) the Offeror is authorized, pursuant to the Tender Offer Agreement, to withdraw its Offer because of a competing bid (except if the Company's Board of Directors reiterates its recommendation of the Offer and recommends to the Company's shareholders not to tender their shares in the competing bid); and in each such case, if, within 18 months after termination of the Tender Offer Agreement for one of the above reasons, the Company enters into an agreement to be acquired, or is acquired, by a third party at a value higher than the Offer value, or
- in the event that the Offeror withdraws the Offer due to actions taken by the Company that modify the Company's substance or if the Offer becomes irrelevant.

In addition, the Company has undertaken to reimburse Parent for all reasonable fees and expenses incurred in connection with the Offers (including up to 5 million euros in commitment and upfront financing fees and expenses but not including any financial advisory fees) in the event that:

- the Company's Board of Directors modifies its recommendation, withdraws its recommendation, recommends a competing bid or enters into an agreement in relation to a competing bid,
- the Offeror withdraws the Offer pursuant to the Tender Offer Agreement, or
- the minimum tender condition set forth in Section 2.7.1 below is not met.

The Tender Offer Agreement as well as a French summary thereof is available on the Company's website ([www.businessobjects.com](http://www.businessobjects.com)). The French summary is also included in the document filed by the Company with the AMF (*note en réponse*).

SAP and the Company issued on October 7, 2007 a joint press release following the execution of the Tender Offer Agreement, which is available on SAP's website ([www.sap.com](http://www.sap.com)).

## 1.1 REASONS FOR THE OFFER

### 1.1.1 Context of the Offer

On July 17, 2007, Leo Apotheker, the deputy chief executive officer of SAP AG and Chairman of the Board of Directors of the Offeror, contacted Bernard Liautaud, the Company's chairman and chief strategy officer, to explore the strategic opportunities between the two companies, including a possible business combination.

On July 25, 2007, Henning Kagermann, chief executive officer of SAP AG, spoke by telephone with Mr. Liautaud to continue the discussions initiated by Mr. Apotheker.

On August 21, 2007, Mr. Liautaud and John Schwarz, the chief executive officer of Business Objects, met with Hennig Kagermann in Palo Alto, California, to explore the viability of a business combination between Business Objects and SAP. The principal issues discussed at this meeting were the potential benefits of a business combination.

On September 4, 2007, David Kennedy, the general counsel of Business Objects, and Michael Junge, general counsel of SAP, spoke by telephone to discuss and negotiate the terms of a non-disclosure agreement between the two companies.

On September 8, 2007, Mr. Liautaud, Mr. Schwarz and James R. Tolonen, the chief financial officer of Business Objects, met in Paris, France, with Mr. Kagermann, Mr. Apotheker and Werner Brandt, the chief financial officer of SAP. At this meeting, the parties exchanged information about their respective businesses and began high-level exploratory discussions of the strategic, financial and practical aspects of a potential business combination between Business Objects and SAP. They also executed a mutual confidentiality agreement covering among other things the discussions between the companies and any material that might be exchanged by the companies.

On September 11, 2007, Mr. Apotheker contacted Mr. Schwarz by phone to continue discussions regarding a possible acquisition by SAP of Business Objects.

On September 14, 2007, Mr. Liautaud met with Mr. Kagermann, Mr. Hasso Plattner and other representatives of SAP to continue discussions on a possible combination of the two companies and to discuss the companies' respective product portfolios and architectural fit. That same day, Mr. Tolonen participated in a video conference with Mr. Brandt, to discuss financial and other matters regarding Business Objects.

On September 15, 2007, an article was published in Le Figaro, a French newspaper, indicating that Business Objects had engaged Goldman Sachs to advise the company in connection with a possible sale to a third party. The article mentioned five potential acquirers, including SAP. Mr. Apotheker and Mr. Liautaud had a call on the same day to discuss the content of this article.

On September 17, 2007, Mr. Schwarz contacted Mr. Apotheker to continue discussions regarding a possible acquisition by SAP of Business Objects.

On September 18, 2007, representatives of Goldman Sachs participated in a conference call with representatives of SAP and SAP's financial advisor, Deutsche Bank AG, to discuss process and timetable going forward.

On September 23, 2007, SAP was granted access to the Business Objects electronic data room in order to continue its due diligence review of Business Objects.

On September 26, 2007, Mr. Tolonen and representatives of Goldman Sachs participated in several conference calls with representatives of Deutsche Bank AG to discuss financial due diligence matters.

On September 26, 2007, Mr. Schwarz and Mr. Tolonen met with representatives of SAP to discuss potential synergies between the two parties' businesses.

On September 26, 2007, Mr. Kennedy, together with representatives of Wilson Sonsini, Goodrich & Rosati, Business Objects' US legal advisors ("WSGR"), representatives of Goldman Sachs and

representatives of Business Objects' French legal advisors, Shearman & Sterling ("S&S"), participated in a conference call with Mr. Junge, representatives of SAP's US and German legal advisors, Allen & Overy LLP ("A&O"), and representatives of SAP's French legal advisors, Bredin Prat. The participants discussed the form a possible transaction would take and legal issues relating to the harmonization of French and US tender offer procedures.

On September 27, 2007, Mr. Schwarz contacted Mr. Apotheker to continue their ongoing discussions regarding the possible acquisition of Business Objects by SAP.

On September 27, 2007, representatives of Goldman Sachs called representatives of Deutsche Bank AG to reiterate the recommended terms to be included in SAP's non-binding indications of interest to be delivered on October 1, 2007.

On September 28, 2007, Mr. Liautaud met with Mr. Kagermann and Mr. Brandt to discuss the possible acquisition of Business Objects by SAP.

On September 28, 2007, Mr. Kennedy, together with representatives of Goldman Sachs, WSGR and S&S, participated in a conference call with Mr. Junge, representatives of A&O and Bredin Prat. The participants discussed legal issues relating to the structure of a proposed transaction and harmonization of French and US tender offer procedures.

On September 30, 2007, Mr. Liautaud spoke with Mr. Kagermann regarding Business Objects' upcoming financial results.

On October 1, 2007, SAP submitted a non-binding indication of interest to Business Objects. SAP's proposal included a proposed exclusivity agreement. Later in the day, Mr. Liautaud, spoke with Mr. Kagermann regarding the price offered by SAP.

On October 2, 2007, Mr. Liautaud had discussions with Mr. Kagermann regarding the proposed per share consideration, as well as the terms of the proposed exclusivity agreement between SAP and Business Objects. The parties executed the revised exclusivity agreement on October 2, 2007.

Between October 3 and October 6, 2007, SAP continued to conduct its confirmatory due diligence review of Business Objects.

From October 4 through October 6, 2007, Mr. Schwarz, Mr. Liautaud and Mr. Kennedy, and other representatives of the Business Objects management team, together with representatives of Goldman Sachs, WSGR and S&S, met in London, England, with representatives of SAP, A&O, Bredin Prat and Deutsche Bank AG to negotiate the terms of the Tender Offer Agreement.

On October 7, 2007, Parent's Supervisory Board met in order, among other things, to approve the execution of the Tender Offer Agreement. SAP and Business Objects executed the Tender Offer Agreement, and SAP issued an ad hoc disclosure as required under German law. Business Objects and SAP issued a joint press release announcing the execution of the Tender Offer Agreement.

On October 22, 2007, the Offeror's board of directors met in order, among other things, to approve the filing of the Offers.

### 1.1.2 Rationale for the transaction

#### Combining Information Technology Leaders

The principal rationale behind the Offer is to bring together two of the leaders of the information technology industry. SAP is a leading provider of Enterprise Application Systems software ("EAS"). Business Objects is a leading independent provider of Business Analytics software ("BA") functionalities.

## Offering Market Leading Solutions

This combination will result in an unmatched offering for business users, enabling timely and accurate decision-making. While continuing to serve their respective existing customers, SAP and Business Objects intend to offer together high-value solutions for process- and business-oriented professionals. The solutions will be designed to enable companies to strengthen decision processes, increase customer value and create sustainable competitive advantage through real-time, multi-dimensional business intelligence.

## Executing the SAP Growth Strategy

A key component of SAP's growth strategy is to significantly increase its revenues from new products, including addressing the growing demands of business users, which it views as the industry's next high-growth opportunity. The acquisition of Business Objects will permit SAP to accelerate its growth in the business user segment, while complementing its successful organic growth strategy, and will be consistent with SAP's stated strategy to double its addressable market by 2010.

Combining the two companies presents an opportunity for SAP to become more competitive, particularly in the area of BI software.

### 1.1.3 Competitive environment

EAS supports the major business functions of companies in all sectors and of all sizes. EAS can be broken down according to different software functionalities. EAS functionalities include: Enterprise Resource Planning ("ERP"), Customer Relationship Management ("CRM"), Supplier Relationship Management ("SRM"), Supply Chain Management ("SCM"), Product Lifecycle Management ("PLM") and Business Analytics ("BA").

BA applications are tools and applications for tracking, analyzing, modelling, managing and delivering data in support of many kinds of corporate decision-making processes. Within business analytics, there is further segmentation between Business Intelligence ("BI"), Financial Performance and Strategy Management ("FPSM"), and other more specific analytic applications, and data warehousing. Currently the BA sub-segments are characterized by a trend toward convergence of functionalities and requirements.

EAS vendors generally include (1) "suite vendors" and (2) "best of breed" or "point solution" providers. Suite vendors, such as SAP, supply a large number of the EAS functionalities identified above. However, some suite vendors offer one single EAS product (EAS suite) that contains a comprehensive set of functionalities. Customers can then decide which functionalities they wish to include in the suite according to their needs. SAP Business Suite is SAP's main product and contains all functionalities offered by SAP: SAP ERP, SAP CRM, SAP SRM, SAP SCM and primary SAP PLM. Other suite vendors include Oracle, Microsoft and Lawson.

Point solution providers offer a particular functionality, as opposed to a suite of solutions. In BA, point solution providers include Business Objects, as well as, notably, SAS, Cognos, Hyperion Solutions (recently acquired by Oracle), NCR Teradata and MicroStrategy, although there are many others, including an emerging set of open-source BA providers. Business Objects is a point solution provider that specializes in business analytics - in particular, BI and FPSM applications.

On a worldwide basis, the market shares in the overall BA segment (which includes both BI and FPSM as well as other categories), and in particular in the BI segment and FPSM segment, according to IDC, are as follows:

Comparison of segment shares of main vendors in BA, BI, FPSM based on worldwide IDC figures (2006)			
Company	BA (2006) Share	BI (2006) Share	FPSM (2006) Share
Oracle Corporation (including Hyperion)	17.7%	9.3%	26.5%
SAP (Including OutlookSoft)	7.2%	3.2%	9.1%
Business Objects (including Cartesis, ALG)	5.3%	13.9%	8.4%
SAS Institute	8.2%	10.2%	5.2%
Cognos Inc.	4.0%	9.9%	8.0%
Microsoft Corporation (including ProClarity)	6.7%	6.6%	0.9%
IBM	6.8%	2.4%	-
Actuate	0.6%	1.6%	1.4%
Lawson	0.6%	0.6%	0.6%
Infor (including Extensity, Systems Union, SSA)	1.4%	-	5.0%
MicroStrategy	1.3%	3.7%	-
SPSS	1.2%	3.1%	-
Information Builders	1.0%	3.0%	-
NCR Teradata	2.3%	0.4%	-
Overall market	100%	100%	100%

*Source: IDC, Worldwide Business Analytics Software, September 2007*

#### 1.1.4 Combined workforce of SAP and Business Objects

As of September 30, 2007, SAP had more than 42,000 employees and Business Objects had more than 6,000 employees. The contemplated combination would create a business software company and a software provider of significant scale and presence across the world market, with a combined workforce of more than 48,000 employees.

## 1.2 OFFEROR'S INTENTIONS FOR THE NEXT 12 MONTHS

### 1.2.1 Strategy and industrial policy

Business Objects will operate as a stand-alone business as part of the SAP group.

The strategic direction of Business Objects will continue to be leadership in all facets of business intelligence, expansion of strategic global services and global sales, as well as gains in mid-market business. In addition, the SAP applications focused on delivering analytics, such as governance risk and compliance and corporate performance management, will be harmonized and adapted under the Business Objects' BI offering. SAP will continue to focus on providing enterprise application systems software. In order to facilitate the integration of SAP and Business Objects, the management teams of Parent and Business Objects will be organized as described in Section 1.2.2 below.

Business Objects' customers will continue to benefit from open, broad and integrated business intelligence solutions -- independent of databases and applications -- while also gaining the advantage of this harmonization of applications for business analytics. SAP intends to offer the business intelligence solutions offered by Business Objects through its existing sales organization as well as the Business Objects' sales channel. SAP does not intend to undertake any significant

restructuring of the Business Objects' distribution network as a result of the transaction, except for geographical rationalization.

Business Objects will significantly enhance its business intelligence portfolio scope with diversification resulting from the support of SAP people, know-how and partner networks focused on SAP applications, enabling Business Objects to deliver a leading BI suite for SAP and non-SAP applications. SAP does not expect any significant restructuring of the research and development organizations in connection with the transaction, though SAP would consider combining certain of its research development centers with those of Business Objects.

Most of the expertise and solutions from Business Objects would be complementary to offerings SAP already provides for business users -- including, for example, category leadership in governance, risk and compliance; business intelligence in the SAP platform Net Weaver; as well as corporate performance management capabilities.

In particular, and subject to further review and analysis, SAP and Business Objects may create a joint value proposition by providing an end-to-end business user offering with a single lifecycle management. Thus, the Business Objects' customers will benefit through the added value of SAP, from offering enriched business processes and vertical domain expertise, as well as the availability of SAP's leading application portfolio. In addition, Business Objects' customers will receive a broader portfolio of solutions, including SAP business process management and master data management capabilities.

#### 1.2.2 Composition of the decision-making bodies and the management team of Business Objects

Upon completion of the Offers, changes will be made to the Company's Board of Directors in order to reflect the new shareholder structure and in particular the arrival of the Offeror as a new majority shareholder.

In this respect, the Tender Offer Agreement provides that, upon completion of the Offers, the Company's Board of Directors will have nine members, all of whom will be designated by SAP (at least three of whom shall be "independent" within the meaning of and as required by applicable laws, stock exchange rules or the 2002 Bouton Report on Corporate Governance). If SAP elects, upon completion of the Offers, the Company's Board may be reduced to six members, all of whom shall be designated by SAP (at least two of whom shall be "independent" within the meaning set forth above).

Subject to completion of the Offers, Mr. Schwarz will continue as the CEO of the Company and is expected to become a member of the Parent Executive Board and Doug Merritt (Corporate Officer, Business Users of Parent) will join the Company and report to John Schwarz.

The Parent's Supervisory board intends to propose to elect the Company's Chairman, Chief Strategy Officer and founder, Mr. Liautaud, to the Parent's Supervisory Board at Parent's next shareholders meeting. Until that time, Mr. Liautaud will have an advisory role to Mr. Kagermann, on aspects of strategy and integration.

#### 1.2.3 Intentions concerning employment

This Offer is made pursuant to an industrial strategy of continuing the operations and development of the Company.

In that respect, the Offeror does not expect any particular impact on the Company's workforce, employment policy or human resources relations and does not intend to undertake a significant restructuring as a result of the transaction.

In particular, the Offeror intends to maintain the existing location of the Company's operational headquarters.

#### 1.2.4 Squeeze-out (*retrait obligatoire*) – Delisting - Reorganization

The Offeror intends to request the AMF, within three months following the closing of the Offer, to implement a squeeze-out of the remaining Company Shares in the event the outstanding Company Shares not tendered in the Offers do not represent more than 5% of the capital or voting rights of the Company in accordance with Articles 237-17 *et seq.* of the AMF General Regulations.

Moreover, the Offeror intends to request the AMF, within three months following the closing of the Offers, to implement a squeeze-out of the remaining Convertible Bonds and Warrants in the event the total of the outstanding Company Shares not tendered in the Offer and the Company Shares that may be issued as a result of the conversion or exercise of the Convertible Bonds and Warrants not tendered in the Offers, do not represent more than 5% of all the Company Shares that exist and those that could be issued as a result of the conversion or the exercise of all the outstanding Convertible Bonds and Warrants.

Furthermore, the Offeror reserves its right, in the event a squeeze-out is not permissible due to the amount of Shares tendered, to request that Euronext Paris delist the Company Shares from the Eurolist market. Euronext Paris may accept this request only if the trading of the Company Shares is limited following the Offer, so that the delisting would be in the interest of the market, subject to Euronext market rules. In addition, the Offeror may withdraw the Company ADSs from trading on the NASDAQ Global Selected Market regardless of whether or not the Company Shares are delisted from Euronext.

The Offeror is contemplating the legal reorganization of the combined group by the end of 2008 / beginning of 2009 by contributing all its business to a newly created wholly-owned subsidiary so that SAP France and Business Objects become two separate operational companies owned by the same parent company. This reorganization, which should not have a significant impact on Business Objects' activities, is not subject to SAP obtaining a certain percentage of the share capital and voting rights in Business Objects, the implementation of a squeeze-out of the remaining shares of Business Objects or Business Objects remaining listed on a regulated market.

#### 1.2.5 Dividend distribution policy

The Offeror reserves the right to review the Company's dividend distribution policy after completion of the Offer in accordance with applicable law and the Company's memorandum and articles of association, based on the Company's capacity to make a distribution and its financing needs.

#### 1.2.6 Advantages for both companies, their shareholders – Synergies – Economic gains

The combination of SAP and Business Objects will benefit customers, partners, employees and shareholders. Together, SAP and Business Objects will offer the most comprehensive portfolio of business performance and optimization solutions for business users at companies of all sizes. The combined group will offer market leading business intelligence solutions, functionality for business intelligence, corporate performance management and governance risk and compliance and embedded analytics.

SAP and Business Objects believe that customers will gain significant business benefits through the combination of new, innovative offerings of enterprise-wide business intelligence solutions along with embedded analytics in transactional applications. Additionally, the joint partner ecosystems will be fuelled by the industry's most powerful business process platform providing customers with the best enterprise information management platform available for SAP and non-SAP environments.

### Advantages for Shareholders

Through the Offer, Business Objects' shareholders will have the opportunity to realize a premium of 20% over the Business Objects closing share price of 35.00 euros on October 5th and of 36.2% over Business Objects' 1-month average price of 30.83 euros (volume-weighted average on Euronext Paris, through September 14, 2007).

### Synergies

The combination of SAP and Business Objects presents an opportunity for Business Objects to leverage the worldwide presence of SAP and will allow cross-selling opportunities into established Business Objects and SAP customer accounts. SAP and Business Objects also expect synergies from the integration of their global distribution networks and SAP's global infrastructure.

The Offeror expects, in a preliminary analysis, that the estimated synergies resulting from the combination, which could be generated in the twelve-month period following acquisition of the whole of the share capital, will amount to between 300 million euros and 320 million euros, half of which would come from the acceleration of revenue of the combined organization, and half of which would come from cost synergies. Those costs synergies would not be significant compared to the combined cost base of the two groups which amounts to approximately 10 billion euros.

### 1.3 AGREEMENTS THAT COULD HAVE A MATERIAL IMPACT ON THE VALUATION OR OUTCOME OF THE OFFER

Except for the Tender Offer Agreement, the Offeror is not a party to any agreement that could have a material impact on the valuation or outcome of the Offer.

## 2 TERMS AND CONDITIONS OF THE OFFER

Pursuant to the provisions of Article 231-13 of the AMF General Regulations, on October 22, 2007, Deutsche Bank AG, Paris Branch, acting on behalf of the Offeror, filed the draft Offer with the AMF in the form of a standard cash tender offer (*offre publique d'achat*).

In accordance with Article 231-13 of the AMF General Regulations, Deutsche Bank AG, Paris Branch, in its capacity as presenting bank, guarantees the content and the irrevocable nature of the undertakings given by the Offeror.

This Offer and this offer document remain subject to review by the AMF.

The AMF, during its November 27, 2007 meeting, has declared that the Offer conforms to statutory and regulatory provisions applicable to it and has published, for such purpose, a clearance decision (*déclaration de conformité*) giving rise to the visa of this offer document.

The "other information" document relating to the Offeror that will be filed with the AMF, no later than the day preceding the opening of the Offer, will be made available to the public free of charge at the Offeror's headquarters and at Deutsche Bank AG, Paris branch. It will also be available on the websites of the AMF and of Parent.

Prior to the opening of the Offer, the AMF and Euronext Paris will publish respectively an opening notice (*avis d'ouverture*) and a notice announcing the timetable and the terms and conditions of the Offer.

## 2.1 NUMBER AND NATURE OF THE COMPANY SECURITIES TARGETED BY THE OFFER

Subject to the terms and conditions of the Offer set out below, the Offer includes:

- (i) any and all of the Company Shares, whether existing Company Shares or Company Shares that may be issued upon the exercise of Company Warrants, stock options or other employee incentive plans, or the conversion of Company Convertible Bonds, granted or issued by the Company prior to the date hereof, i.e., to the Offeror's knowledge, a maximum of 111,289,274 Company Shares as at September 30, 2007;
- (ii) any and all the outstanding Company Warrants issued by the Company on 22 July 2003 (the "2003 Company Warrants"), 15 June 2004 (the "2004 Company Warrants"), 21 July 2005 (the "2005 Company Warrants"), 20 July 2006 (the "2006 Company Warrants") and on 5 June 2007 (the "2007 Company Warrants"), i.e., to the Offeror's knowledge, a maximum of 585,000 Company Warrants;
- (iii) any and all of the outstanding Company Convertible Bonds, i.e., to the Offeror's knowledge, a maximum of 10,676,156 Company Convertible Bonds,

in exchange for the consideration per Company Share, per each Company Warrant class, and per Company Convertible Bond as applicable, described in section 2.2 below.

As of the date of this offer document, neither the Offeror, nor Parent owns, directly or indirectly, acting alone or in concert, any Company Securities.

## 2.2 TERMS OF THE OFFER

The Offeror is proposing:

- (i) to the Business Objects shareholders, that they tender their Company Shares for 42.00 euros in cash per Company Share (the "Share Price")
- (ii) to the holders of 2003 Company Warrants, that they tender their 2003 Company Warrants for 22.55 euros in cash per 2003 Company Warrant (the "2003 Company Warrant Price")
- (iii) to the holders of 2004 Company Warrants, that they tender their 2004 Company Warrants for 24.96 euros in cash per 2004 Company Warrant (the "2004 Company Warrant Price")
- (iv) to the holders of 2005 Company Warrants, that they tender their 2005 Company Warrants for 18.87 euros in cash per 2005 Company Warrant (the "2005 Company Warrant Price")
- (v) to the holders of 2006 Company Warrants, that they tender their 2006 Company Warrants for 19.69 euros in cash per 2006 Company Warrant (the "2006 Company Warrant Price")
- (vi) to the holders of 2007 Company Warrants, that they tender their 2007 Company Warrants for 12.01 euros in cash per 2007 Company Warrant (the "2007 Company Warrant Price")
- (vii) to the holders of Company Convertible Bonds, that they tender their Company Convertible Bonds for 50.65 euros in cash per Company Convertible Bond, excluding the January 1, 2008 coupon (the "Company Convertible Bond Price").

## 2.3 PROCEDURE FOR TENDERING COMPANY SHARES, COMPANY CONVERTIBLE BONDS AND COMPANY WARRANTS IN THE OFFER

The Company Securities tendered in the Offer must be freely transferable and free of all liens, pledges or other security or encumbrance of whatever kind restricting the free transfer of their ownership. The Offeror reserves the right to disregard any Company Securities tendered in the Offer which do not meet this condition.

In accordance with Article 232-2 of the AMF General Regulations, the orders for tendering Company Securities in the Offer may be withdrawn at any time up to and including the closing date of the Offer. After this date, they will be irrevocable.

### 2.3.1 Procedure for tendering Company Shares and Company Convertible Bonds in the Offer

Holders of Company Shares or Company Convertible Bonds holding their Company Shares and/or Company Convertible Bonds through financial intermediaries (credit institutions, investment companies, etc.) who wish to tender their Company Shares and/or Company Convertible Bonds in the Offer must provide their financial intermediary, by no later than the closing date of the Offer, with instructions to tender their Company Shares and/or Company Convertible Bonds in the Offer using the form made available to them by the intermediary.

Business Objects' shareholders whose Company Shares and/or Company Convertible Bonds are registered in the ordinary registered form in the Business Objects' shareholders register (*nominatif pur*) must request that they be converted into managed registered form (*nominatif administré*) in order to tender them in the Offer, unless the owner has previously requested their conversion into the bearer form. In the event the Offer is successfully closed, Euronext Paris S.A will transfer to BNP Paribas Securities Services, the bank in charge of the service of the Business Objects' shareholders register, the Company Shares and/or Company Convertible Bonds under the registered form in order to convert these instruments into bearer form so that they may be transferred to the Offeror.

### 2.3.2 Procedure for tendering Company Warrants in the Offer

Company Warrant holders who wish to tender their Company Warrants in the Offer must notify BNP Paribas Securities Services of their decision by using the tender order form which will have been provided to them by BNP Paribas Securities Services, at the latest on the date of closing of the Offer.

## 2.4 PUBLICATION OF THE RESULTS OF THE OFFER – SETTLEMENT-DELIVERY

The AMF will publish the final results of the Offer by no later than three trading days after the close of the Offer.

The date for settlement and delivery of the Offer will be announced in a notice issued by Euronext Paris.

No interest will be payable for the period between the date on which the Company Securities are tendered in the Offer and the date of settlement and delivery of the Offer, which is expected to take place, in principle, within five trading days from publication of the final results of the Offer..

## 2.5 SITUATION OF BENEFICIARIES OF EMPLOYEES INCENTIVE PLANS

The options to subscribe for, acquire or receive Company Shares or ADSs under the 1994 Stock Option Plan, the 1999 Stock Option Plan and the 2001 Stock Incentive Plan, and the options under the 1999 Crystal Decisions Stock Option Plan, the 2002 Infommersion Stock Incentive

Plan and the SRC 2003 Stock Incentive Plan converted into options to receive Company ADSs currently held by Business Objects Option LLC (altogether the "Company Stock Options"), the 2006 Company French free shares awards (the "Company Free Share Awards"), the Company Restricted Stock Units granted within the 2001 Subsidiary Stock Incentive Sub-Plan (the "RSUs") and the Company Warrants, are described on pages 80 to 83 and 95 to 101 of the annual report published by Company on 6 April 2007. The Company Stock Options, the Company Free Share Awards and the RSUs are altogether defined as the "Equity Awards".

The beneficiaries of Company Stock Options who wish to tender the underlying Shares in the Offer must have exercised the Company Stock Options far enough in advance to be able to tender in the Offer the Shares issued upon the exercise of these Options no later than the last day of the Offer or of the subsequent offer (*réouverture*) (the "Subsequent Offer") under Article 232-4 of the General Regulations, as applicable.

Some of the Company Stock Options are not exercisable or the underlying Shares are subject to restricted periods during which they cannot be sold, and, consequently, the underlying Company Shares may not be tendered in the Offer or in the Subsequent Offer.

Pursuant to an amendment to the terms of the Company Warrants decided by the Company's Board of Directors on November 8, 2007, the Company Warrants may be tendered directly in the Offer or Subsequent Offer whether they are exercisable or not.

To the extent Company Free Share Awards or RSUs are not yet fully vested in time or cannot be exercised, the underlying Company Shares or ADSs may not be tendered in the Offer or in the Subsequent Offer.

The Company Shares held directly within the Company French Employee Savings Plan (*PEE*) as a result of the exercise less than five years ago of Company Stock Options financed with lock-in assets of such plan pursuant to the provisions of Article L.443-6 of the French Labor Code may not, pursuant to such Article, be tendered in the Offer or in the Subsequent Offer.

If, as a result of the Offer, the Offeror successfully acquires over 50% of the Company's voting rights on a fully-diluted basis, a "change in control" will be triggered under the terms of certain Equity Awards plans. The beneficiaries will then be granted and benefit from the rights described below:

(a) Preservation of all their rights under the above-mentioned Equity Awards plans; their Equity Awards that are currently unvested (and these not vested during the Offer period) will continue to vest in accordance with the terms of the different plans;

(b) Subject to provisions specific to the French holders as described in paragraph (c) below, if at any time following the closing of the Offer a squeeze-out procedure (*retrait obligatoire*) is implemented, each Stock Option holder will benefit from a cash settlement mechanism pursuant to which, from and after the squeeze-out, the Company Stock Options will give right to receive upon their exercise, in lieu of Company Shares/ADSs, a cash-settled payment of equivalent value to the amount payable under the liquidity mechanism described below in paragraph (c). A similar cash-settlement mechanism will apply to the RSUs outstanding on the date of the squeeze-out

(c) The Offeror and the Company will propose to the holders of Equity Awards and/or Company Shares held directly within the Company French Employee Savings Plan (*PEE*) as a result of the exercise of Company Stock Options pursuant to the provisions of Article L.443-6 of the French Labor Code (together, the "Covered Instruments") who have been residents of France for tax and/or social security purposes at any time since the date of granting of the relevant Covered Instruments (the "French holders") a liquidity mechanism, as described below (the "Liquidity Mechanism"), in order to preserve the favorable tax and social security treatment attaching to the Covered Instruments or Company Shares underlying such Covered Instruments.

Such Liquidity Mechanism, which shall include customary terms and conditions, shall, for Company Stock Options (other than those which have been or will be exercised using blocked

assets in a company savings scheme in accordance with article L. 443-6 of the French Labor Code), consist of:

A Put Option pursuant to which the Offeror will undertake to acquire the shares resulting from the exercise of any Company Stock Option, at the holder's request, at any time during the period starting on the first business day following the expiry of the Applicable Restricted Period and ending 2 years and 3 months after the later of (i) the effective exercise of the Company Stock Option by the holder and (ii) the end of the Applicable Restricted Period, if any (the "Applicable Liquidity Period"); the Applicable Restricted Period meaning the period during which the holder may not dispose of the shares underlying the Company Stock Option without triggering unfavorable tax or social security charge consequences for any company in the Offeror's or the Company's groups,

and:

A Call Option pursuant to which the French holder will undertake to sell to the Offeror, at the Offeror's request, during a period of 30 business days starting on the first business day following the expiry of the Applicable Liquidity Period, the Company Shares issued upon the exercise of any Company Stock Option.

For each of the Put Option and the Call Option, the acquisition price of each Company Share shall be equal (subject to adjustments) to (a) the Average Parent Share Price (defined as the average of the closing stock market prices of the Parent ordinary share on the Frankfurt regulated stock market for the 20 trading days prior to the date of exercise of the relevant Put Option or Call Option), multiplied by (b) the Ratio (defined as:

- in case of a squeeze-out implemented immediately after the closing of the Offer pursuant to Article 237-14 of the AMF General Regulation, the consideration proposed in the Offer for each Company Share, i.e. 42 euros, divided by the weighted average Parent share price on the Frankfurt regulated stock market of the 20 trading days prior to and including the date of the closing of the Subsequent Offer;
- in case of a squeeze-out implemented at a later stage, the consideration proposed in such squeeze-out for each Company Share divided by the weighted average Parent share price on the Frankfurt regulated stock market of the 20 trading days prior to and including the effective date of the squeeze-out.

A similar liquidity mechanism will also be implemented for Company Free Share Awards and Company Shares held directly within the Company French Employee Savings Plan (*PEE*) following exercise of Company Stock Options in accordance with article L. 443-6 of the French Labor Code.

## 2.6 AUTHORIZATION FROM THE FRENCH FINANCE MINISTER

Pursuant to Article 231-32 of the AMF General Regulations, the opening of the Offer was, upon filing of the Offer, subject to the prior approval of the French Ministry of the Economy in accordance with Article L. 151-3 of the French Monetary and Financial Code relating to foreign investments in France.

The Company, active in the field of business intelligence software, has entered into several contracts with administrative bodies and with certain public sector entities in the defense area, certain of which may fall within the scope of the activities listed in Article R. 153-4 of the French Monetary and Financial Code for which investments made by a legal entity whose registered office is not in France but is in one of the states of the European Economic Area must obtain prior authorization; this would be the case for the Parent in respect of its indirect investment in Business Objects.

A request for authorization was filed with the French Minister of the Economy, Finance and Industry on October 10, 2007 and the French Minister of Economy, Finance and Industry granted its authorization on November 22, 2007, and, thus, the opening of the Offer is not subject to any further authorization.

## 2.7 CONDITIONS TO THE OFFER

### 2.7.1 Success Threshold

The Offer is subject to the condition that the Company Securities tendered in the Offers represent, on the US Offer closing date, at least 50.01% of Business Objects voting rights, on a fully-diluted basis (the "Success Threshold").

To calculate the Success Threshold, the following will be taken into consideration:

- For the numerator, the sum of all the Company Shares validly tendered in the Offers by the Offers' respective closing dates and the underlying Company Shares resulting from the conversion of the Company Convertible Bonds (on the basis of a settlement amount of 50.65 euros per Company Convertible Bond and a price of 42 euros per Company Share) and the exercise of the Company Warrants (including, in each case, Company Shares represented by Company ADSs) validly tendered in the Offers by the respective Offers' closing dates, and treasury shares held by the Company or by its subsidiaries that are not held for remittance in connection with the exercise of stock options or other employee incentive plans;
- For the denominator, all the Company Shares, on a fully-diluted basis as at the closing date of the US Offer, including Company Shares represented by Company ADSs and Company Shares that may be issued as a result of the conversion of all the Company Convertible Bonds (i.e., 2,160,056 shares on the basis of a settlement amount of 50.65 euros per Company Convertible Bond and a price of 42 euros per Company Share) and exercise of all the Company Warrants, stock options or other employee incentive plans (to the Offeror's knowledge, a maximum of 111,289,274 Company Shares as at September 30, 2007).

The Offeror and Business Objects shareholders will not know whether the Success Threshold has been reached until the final results of the Offer and the US Offer are published, which will occur after the Offer closes.

If the Success Threshold is not achieved, the Offer will not go forward and the shares tendered in the Offer will be returned to their owners, in principle within two trading days of notice following publication of the failure of the Offer, without any interest or compensation of any kind being due to such owner.

However, the Offeror reserves the right to waive the Success Threshold, or, upon AMF's prior acceptance, to reduce the Success Threshold by filing an improved Offer at least five trading days before the Offers' close in accordance with the provisions of Article 232-7 of the General Regulations.

### 2.7.2 Phase I Antitrust Clearance<sup>3</sup>

The Offer was, at the time of filing, subject to the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (HSR Act), without the issuance of a second request, and the clearance of the transaction by the European Commission under Article 6(1)(b) of the European Union Council Regulation (EEC) No.4064/89 (EC Merger Regulation) (together, the Phase I Antitrust Clearance).

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<sup>3</sup> It should also be noted that the proposed acquisition has been submitted to the competition authorities in Canada, Brazil and Japan for authorization. However, the Offer is not conditional upon obtaining these authorizations.

SAP first submitted its proposed acquisition of Business Objects to the European Commission on October 11 and October 18, 2007 and filed its Form CO on October 22, 2007.

On October 22, 2007, SAP and Business Objects filed notification and report forms with the US antitrust authorities.

The proposed acquisition was subsequently authorized by the US antitrust authorities on November 6, 2007 and by the European Commission on November 27, 2007.

## 2.8 POSSIBILITY OF WITHDRAWING THE OFFER

As provided for in Article 232-11 of the General Regulations of the AMF, the Offeror reserves the right to withdraw its Offer within five trading days following the publication of the timetable of a competing offer.

As provided for in Article 232-11 of the General Regulations of the AMF, the Offeror also reserves the right to apply to the AMF for an authorization to withdraw its Offer if, during the Offer period, the Company adopts measures which result in a modification of its substance, or if the Offer becomes without purpose.

In either of these two cases, if the Offeror withdraws its Offer, the Company Securities tendered in the Offer shall be returned to their holders, without any indemnity, interest or any other payment being due.

## 2.9 INDICATIVE TIMETABLE FOR THE OFFER

Prior to the opening of the Offer, the AMF and Euronext Paris will publish respectively an opening notice (*avis d'ouverture*) and a notice announcing the terms and the timetable for the Offer.

An indicative timetable is set forth below:

October 22, 2007	Filing of the proposed Offer with the AMF
November 6, 2007	Authorization of the transaction by the US antitrust authorities pursuant to the HSR Act
November 22, 2007	Grant of prior authorization from the French Minister for the Economy in accordance with Article L. 151-3 of the French Monetary and Financial Code
November 27, 2007	Clearance of the Offer by the European Commission. Clearance decision ( <i>Déclaration de conformité</i> )
December 4, 2007	Opening of the Offer
January 10, 2008	Closing of the Offer
January 15, 2008	Publication of notice announcing the final results of the Offer
January 23, 2008	Settlement – Delivery

## 2.10 EXTENSION OF THE OFFER

In accordance with Article 231-32 of the General Regulations, the opening dates, the closing dates and the results of the Offer shall be published by the AMF, which has the sole authority during the Offer over whether to extend the Offer period.

## 2.11 AUTOMATIC REOPENING OF THE OFFER

In accordance with Article 232-4 of the AMF General Regulations, the Offer will automatically be reopened the day immediately following publication of the final results if there is a positive outcome. If the Offer is reopened, the terms of the reopened offer (the "Subsequent Offer") will be identical to those of the Offer, it being noted that this reopened offer will be semi-centralized.

Therefore, if the Offer is reopened, the holders of Company Securities wishing to tender their Securities in the Subsequent Offer must provide their financial intermediary (credit institution, investment company, etc.) before the closing date of the Subsequent Offer inclusive with an order to tender securities in the Subsequent Offer in the form supplied by that financial intermediary, specifying whether they are opting for their Securities to be sold:

- on the market, in which case their selling order shall be irrevocable, with settlement as the orders are executed, four trading days after each execution, but the trading costs (including taxes and brokerage fees) shall be borne in whole by the said seller; or
- in the Subsequent Offer centralized by Euronext Paris, in which case settlement shall take place after the centralization operations, and the brokerage fees of the sellers of Company Shares and Company Convertible Bonds plus VAT shall be borne by the Offeror as set out in section 2.13 below.

In such case, the AMF will publish the timetable for the reopening of the Subsequent Offer, which will last in principle ten trading days.

## 2.12 FINANCING OF THE OFFER

### 2.12.1 Cost of the Offer

The total cost incurred by the Offeror in connection with the Offer in the event that all the Company Securities targeted by the Offer are tendered, assuming conversion and/or exercise of all the Company Securities, options or rights actually exercisable or convertible prior to the closing of the Offer into Company Shares, the total cash consideration to be paid by the Offeror to the Company Security holders having tendered their Company Securities (excluding fees and related expenses) including, in particular, costs relating to the Company Securities acquisition (excluding the price paid for the Company Securities acquisitions itself), the fees and other costs of the external financial, legal and accounting advisers and of any experts and other consultants, as well as communication costs, but excluding the amount of costs relating to the financing of the transaction, is estimated to be approximately in a range of between 20 million euros and 25 million euros (excluding tax).

### 2.12.2 Financing of the Offer

In the event that 100% of the Company Shares targeted by the Offers are tendered in the Offers, assuming the conversion of all Company Convertible Bonds and the exercise of all Company Warrants, stock-options and other rights granted in connection with any employees incentive plans prior to tendering the underlying Shares, the total cash consideration to be paid by the Offeror (excluding fees and related expenses) would amount to 4,674,149,508 euros.

Parent intends to finance the Offers with available cash and funds borrowed through the facility described below.

Parent will make this financing available to the Offeror through the issuance by the Offeror of a mix of equity and debt instrument.

For purposes of the Offers, SAP AG, as Borrower, has entered into a 5 billion euro credit facility dated as of October 1, 2007, with Deutsche Bank AG as Mandated Lead Arranger, Deutsche Bank Luxembourg S.A. as Agent and Original Lender and Deutsche Bank AG, Paris Branch as presenting bank of the Offer (the "Credit Facility"). Funds available to the Borrower shall be drawn only if the Offer is successful. This credit facility includes terms and conditions customary for financings of this type. Its principal terms and conditions are the following:

Borrower: SAP AG.

Presenting Bank: Deutsche Bank AG, Paris Branch.

Mandated Lead Arranger: Deutsche Bank AG.

Agent and Original Lender: Deutsche Bank Luxembourg S.A.

Facility: a syndicated multicurrency term loan facility in the amount of 5 billion euros.

Available currencies: Euros, US Dollars and any other optional currency available in accordance with the credit facility agreement.

Purpose: Funding the Offers, any indemnity payment to the presenting bank, any market purchase after the date for settlement of the Offer, any squeeze-out and acquisition costs up to a certain amount.

Conditions to Borrowing: To complete the Offer (during its initial period and any possible subsequent reopening periods in accordance with the terms of the credit facility agreement).

Interest: EURIBOR+Margin+mandatory cost (if any) in relation to any loan in Euro,  
LIBOR+Margin+mandatory cost (if any) in relation to any loan in any optional  
currency,

with a Margin equal to

- (1) 0.30% per annum if and for so long as the Total Commitments exceed 2.5 billion euros, and
- (2) 0.25% per annum if the Total Commitments are equal to or fall below 2.5 billion euros.

Commitment fee: 0.075% per annum on the aggregate of the daily amount of the Available Commitments less the aggregate of the daily amount of the Offer Guarantee Liability (as such terms are defined in the credit facility agreement).

Counter-guarantee fee: 0.25% per annum on the aggregate of the daily amount of the Offer Guarantee Liability.

Upfront fee: as agreed with the Mandated Lead Arranger and the Original Lender pursuant to a fee letter.

Covenants: include among others limitations on liens, change of business and certain other changes; certain undertakings in respect of the conduct of the Offer.

Financial Covenants: None.

Termination Date: 31 December, 2009.

Repayment: (1) As from 31 December, 2008, the maximum amount outstanding under the facility shall not exceed 2.5 billion euros less the amount of any mandatory prepayment resulting from a disposal, by a member of the group of the Offeror to person which is not a member of the group of the Offeror, of any of the Company Securities.

- (2) Any remaining amount outstanding under the facility shall be repaid on the Termination Date.

The credit facility will be filed with the Securities and Exchange Commission.

A general syndication of the credit facility is contemplated.

## 2.13 BROKERAGE COSTS AND REMUNERATION OF THE INTERMEDIARIES – STOCK EXCHANGE TAX

Except as indicated below, no costs will be reimbursed and no fee will be paid by the Offeror to any intermediary whatsoever or to any person whomsoever soliciting Company Securities holders to tender their shares or warrants respectively in the Offer.

The Offeror will bear the cost of the brokerage commission and the corresponding VAT paid by the holders of Company Shares and Company Convertible Bonds who tender their Company Shares or Company Convertible Bonds in the initial Offer or the centralized Subsequent Offer, within the limit of 0.20% of the value of such security, capped at 200 euros per account (inclusive of tax). The holders of Company Shares and Company Convertible Bonds will not be reimbursed any brokerage commission if the Offer is declared to have been unsuccessful for whatever reason.

The Offeror will not reimburse any tax on securities transactions provided for in Article 978 of the French Tax Code (as described in section 2.14.5 below).

All requests for reimbursement of brokerage fees, as mentioned above, must be sent to financial intermediaries within 40 calendar days following (i) closing of the initial offer for the Company Securities tendered in the initial Offer or (ii) closing of the Subsequent Offer for the Company Securities tendered in the centralized Subsequent Offer. After this date, no further reimbursements will be due or made.

Holders entitled to the above-mentioned reimbursement of brokerage costs (and corresponding VAT) will only be those holders selling Company Shares and/or Company Convertible Bonds whose Company Shares and/or Company Convertible Bonds are registered on the day prior to the opening of the initial Offer if they tender these Securities in the initial Offer or on the day prior to the opening of the Subsequent Offer if they tender these Securities in the centralized Subsequent Offer. Holders who tender their Company Securities in the Subsequent Offer on the markets will not be entitled to the above-mentioned reimbursement of brokerage costs (and corresponding VAT).

## 2.14 RESTRICTIONS CONCERNING THE OFFER OUTSIDE FRANCE

The Offer is being made to the public exclusively in France.

This offer document is not intended to be distributed in any country other than France.

Generally, the distribution of this document and any other documents related to this Offer and the making of this Offer may, in some jurisdictions, be restricted by law. This Offer is not being made, directly or indirectly, in or into, and may not be accepted from within, any jurisdiction in which the making of this Offer or the acceptance thereof would not be in compliance with the laws of that jurisdiction or would require Offeror to make a public offer in any jurisdiction other than France or in the United States in connection with the separate US Offer, as discussed below. Offeror has not and will not seek any regulatory approval other than regulatory approvals required in France and the United States with respect to the French and US Offers, respectively. Persons who come into possession of this document should inform themselves of and observe any of these restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of that jurisdiction. The Offeror does not assume any responsibility for any violation by any person of any restriction.

The distribution of this document and the information it contains, as well as the Offer itself, is subject to specific restrictions, inter alia, in the following countries, in accordance with the legislation in force in such countries:

### *United States of America*

The Offer is not being made, directly or indirectly, in or into the United States. Neither this offer document, nor any and all materials related thereto should not be sent in or into the United States, whether by use of United States interstate or foreign commerce, or any facility of a United States national securities exchange (including, but without limitation, electronic mail, post, facsimile transmission, telex and telephone), and the Offer cannot be accepted by any such use, means or instrumentality, in or from within the United States. Accordingly, copies of this offer document and any related materials are not being, and must not be, mailed or otherwise distributed or sent in or into or from the United States or, in their capacities as such, to custodians, trustees or nominees holding Company Securities for United States persons, and persons receiving any such documents (including custodians, nominees and trustees) must not distribute or send them in, into or from the United States, and doing so will render invalid any relevant purported acceptance of the Offer.

A US Offer is being made separately from the Offer and is open to all holders of Business Objects Securities located in the United States and to all holders of ADSs, wherever located, pursuant to an offer to purchase and related materials that the Offeror intends to file with the US Securities and Exchange Commission on Schedule TO (the "US Offer Documents").

Subject to the AMF's and SEC's approvals, both Offers will be made on substantially the same terms and completion of both Offers will be subject to the same conditions. Both Offers shall have the same opening date. However, in accordance with the discussions that took place between the SEC and the AMF, the US Offer will not close on the day the Offer will close, but, at the latest, on the day of announcement of the final results. Any US holder of Company Securities or any holder of ADSs should read and refer to the US Offer Documents described in the previous paragraph, and not the French Offer documents, in making his or her investment decision with respect to the US Offer.

For the purposes of the foregoing paragraphs, the United States shall mean the United States of America, its territories and possessions, any of the States of the United States and the District of Columbia.

### *Italy*

The Offer is not being made in the Republic of Italy (Italy). The Offer and the offer document have not been submitted to the clearance procedure of the Commissione Nazionale per le Società e la Borsa (CONSOB) pursuant to Italian laws and regulations. Accordingly, holders of Company Securities are hereby notified that, to the extent such holders are Italian residents and/or located in the Republic of Italy, the Offer is not available to them and they may not submit for tender of Company Securities under the Offer, and, as such, any acceptance received from, or on behalf of, such persons shall be ineffective and void, and neither the offer document nor any other offering material relating to the Offer, or the Company Securities, may be distributed or made available in the Republic of Italy.

## 2.15 TAX REGIME APPLICABLE TO THE OFFER

The holders of Company Securities should note that the description set out in this section is a summary of the applicable tax rules based on the provisions of French law and of tax treaties currently in force. It is therefore subject to any modification of the applicable French tax rules, of their interpretation by the French Tax Administration and in particular depending on the adoption of the Draft Finance Act for 2008 and the Draft Second Finance Act for 2007.

This description is only given as a general guideline and is not intended to constitute a comprehensive analysis of all the tax consequences which may apply to a holder of Company Securities' situation. Holders of Company Securities are therefore advised to consult their usual tax adviser in order to examine their specific circumstances.

Persons who are not tax residents of France must comply with the tax legislation in force in their country of residence, subject to the application of a tax treaty for the avoidance of double taxation concluded between France and such country of residence.

## 2.15.1 French tax residents holders of Company Securities

### 2.15.1.1. Individuals who are French tax residents acting in connection with the management of their private assets (i.e. in conditions which are not analogous with those characterizing an activity carried out by a professional)

#### 2.15.1.1.1. *General case*

In accordance with Article 150-0 A of the French Tax Code, capital gains on sales made during a calendar year of Company Shares or Company Warrants and Company Convertible Bonds by the aforementioned individuals, equal to the difference between, on the one hand, the purchase price offered in the Offer and, on the other, the tax cost price of Company Shares or Company Warrants and Company Convertible Bonds tendered in the Offer, are subject, from the first Euro, to income tax at a rate of 16% (Article 200 A-2 of the French Tax Code) which may be increased to 18% for sales on or after January 1, 2008 (if the Draft Finance Act for 2008 is adopted as currently drafted), if the annual total amount from sales of shares, corporate interests or similar securities by all of the members of the taxpayer's household (excluding, inter alia, sales subject to exemption under a share saving plan (plan d'épargne en actions - "PEA") referred to in Articles L. 221-30 and L. 221-31 of the French Monetary and Financial Code (Code Monétaire et Financier) and, among other eligible transactions, share-for-share exchanges benefiting from the tax deferral regime as provided for in Article 150-0 B of the French Tax Code) exceeds a threshold of 20,000 euros for year 2007 (which may be increased to 25,000 euros for sales on or after January 1, 2008 if the Draft Finance Act for 2008 is adopted as currently drafted).

Under the same condition relating to the annual amount of sales of shares, corporate interests and similar securities, the capital gains are also subject to:

- the *contribution sociale généralisée* ("CSG") at the rate of 8.2%;
- the 2% *prélèvement social*;
- the 0.3% *contribution additionnelle*; and
- the *contribution pour le remboursement de la dette sociale* ("CRDS") at the rate of 0.5%,

such social security contributions being non-deductible from the aforementioned individual's tax basis subject to income tax.

The global tax rate is therefore 27% for sales in 2007, which may be increased to 29% for sales on or after January 1, 2008 (if the Draft Finance Act for 2008 is adopted as currently drafted).

Tendering Company Shares in the Offer will terminate any deferral or postponement of taxation from which the shareholders may have benefited in connection with prior transactions in respect of the Company Shares tendered in the Offer. If the aforementioned 20,000 euros threshold (which may be increased to 25,000 euros for sales on or after January 1, 2008 if the Draft Finance Act for 2008 is adopted as currently drafted) is exceeded, part or all of the capital gains (depending on whether only part or the whole of the Company Shares are tendered in the Offer) subject to deferred or postponed taxation (capital gains realized on securities exchanged prior to 1 January 2000 subject to the provisions of Articles 92 B II and 160 I ter of the French Tax Code applicable at the time) will be taxable under the conditions described in this section.

Pursuant to the provisions of Article 150-0 D 11° of the French Tax Code, capital losses on sales of Company Shares, Company Warrants and Company Convertibles Bonds may be set off against capital gains of the same type realized during the year in which the sale took place or during the next ten years if these capital losses result from transactions subject to taxation, if, in

particular, the annual threshold of sales of securities by the members of the taxpayer's household referred to above has been exceeded in respect of the year in which the loss is realized.

2.15.1.1.2 *Individuals who are French tax residents holding the Company Shares tendered in the Offer in a share save plan (Plan d'Épargne en Actions ("PEA"))*

Persons owning Business Objects shares or warrants in a PEA may tender their securities in the Offer.

A PEA, under certain conditions, entitles its holder, (i) throughout the term of the PEA, to an exemption from income tax and social security contributions on the proceeds from and the capital gains on investments made in the context of the PEA, provided, in particular, that these proceeds and capital gains remain invested in the PEA and (ii) upon termination of the PEA (if terminated more than five years after its inception) or at the time of a partial withdrawal (if this withdrawal takes place more than eight years after its inception), to an exemption from income tax on the amount of net gain since inception of the PEA; this gain nonetheless remains subject to the 2% *prélèvement social*, the 0.3% *contribution additionnelle*, the CSG and the CRDS. However, the actual effective rate of these taxes will vary depending on when this gain was acquired or realized.

If the PEA is terminated before expiry of the fifth year following after its inception and provided the annual threshold of 20,000 euros (which may be increased to 25,000 euros for sales on or after January 1, 2008 if the Draft Finance Act for 2008 is adopted as currently drafted) of sales of securities is exceeded, the net gain realized since inception of the plan is taxable at the rate of 22.5% if the plan is terminated before expiry of the second year (Article 200 A 5 of the French Tax Code) or at the rate of 16% if the plan is terminated between the second and fifth year. In both cases, the net gain is subject to CSG, the 2% *prélèvement social*, the 0.3% *contribution additionnelle au prélèvement social de 2%* and the CRDS.

Withdrawing from a share save plan set up as a life annuity is subject to specific taxation conditions not described herein.

In principle, capital losses incurred within the context of a PEA may only be set off against capital gains realized as part of the PEA. However, if (i) the PEA is terminated early before expiry of the fifth year or, (ii) under certain conditions, if the PEA is terminated after expiry of the fifth year when the liquidation value of the plan or the redemption value of the contract is less than the amount of payments made into the plan since its inception, any capital losses reported upon such liquidation or redemption may be set off against gains of the same type realized in the same year or during the ten following years, provided that the aforementioned annual threshold of sales of securities has been exceeded in the year on which the liquidation of the plan or its redemption occurs.

2.15.1.1.3 *French tax residents holding Business Objects stock received through exercising Business Objects stock options*

Pursuant to Article 163 bis C of the French Tax Code, recipients of Business Objects stock options granted in accordance with the provisions of Articles L. 225-177 to L. 225-186 of the French Commercial Code can only benefit from the preferential treatment attached to them, in terms of taxes and in terms of application of social security contributions and withholdings, if the Company Shares resulting from the exercise of such options are kept in registered form and are not sold or converted into bearer shares before the end of a four-year period starting from the grant date of the options (except, under certain conditions, in the event of death, dismissal, disability or retirement of the holder before expiry of the relevant period).

Thus, if Company Shares subscribed as part of a stock option plan are tendered in the Offer after expiry of the four-year period referred to above, the exercise gain (which is equal to the difference between (i) the first listed price for the Company Shares on the day the option is exercised and (ii) the option exercise price, plus the fraction of any discount taxed as salary on the

option exercise date) will be taxed, provided the aforementioned 20,000 euro threshold (which may be increased to 25,000 euros for sales on or after January 1, 2008 if the Draft Finance Act for 2008 is adopted as currently drafted) is exceeded, at an overall rate of 27% (29% if the Draft Finance Act for 2008 is adopted as currently drafted), 41% or 51% depending on the grant date of the options, the amount of the gain realized and the holding period of the shares sold and will not be subject to social charges.

However, if the Company Shares subscribed as part of a stock option plan are tendered in the Offer before expiry of the period referred to above, except in the case of an event qualifying for early release as provided for in Article 91 ter of Appendix II of the French Tax Code, the exercise gain will be taxed as salary and subject to social charges, as well as to the CSG at a rate of 7.5% (5.1% of which is deductible from the tax base subject to income tax), and to the CRDS at a rate of 0.5% (not deductible from the tax base subject to income tax), the tax base for which is identical to that of social security charges.

In addition, any capital gains realized from tendering Company Shares in the Offer, equal to the difference between, on the one hand, the purchase price offered in the Offer, and on the other, the first listed price for the Company Shares on the day the option is exercised, shall be subject to the standard tax treatment for capital gains realized by individuals who are residents of France as described in section 2.15.1.1.1 of this document.

#### 2.15.1.1.4. *Company Shares held in a Plan d'Épargne Entreprise (PEE-FCPE)*

Income from securities held in a *plan d'épargne entreprise* ("PEE") set up in accordance with Articles L.443-1 et seq. of the French Labor Code is exempt from income tax if reinvested in the plan and if subject to the same five-year holding period as the securities to which it relates. The income is definitively exempt upon expiry of the corresponding holding period. The capital gains realized are also exempt from taxation provided that the shares are registered shares and mention their origin.

However, income from securities held in a PEE of which the participant has requested release, either in the case of early release in the conditions provided for by applicable legal and regulatory provisions, or after the holding periods, shall remain subject to social contributions (CSG, CRDS, 2% prélèvement social and the 0.3% contribution additionnelle).

If the Offer is successful, and in the event that FCPE invested in Company Shares were to tender these Company Shares in the Offer, in compliance with applicable legal or regulatory provisions or the articles of association, the tax and social regime applicable to the units of the FCPE will not in principle be challenged to the extent that the amounts owned by the holders remain blocked for the remainder of the holding period (circulaire interministérielle of September 14, 2005 relating to employee saving schemes).

It should be remembered that the employees and corporate officers holding Company Shares directly in a PEE, following the exercise of options to subscribe for shares using the amounts blocked in the PEE as provided for in Article L.443-6 of the French Labor Code will not be able to tender these shares in the Offer (circulaire interministérielle of September 14, 2005 relating to employee saving schemes).

### 2.15.2 Legal entities which are tax residents of France subject to corporate income tax

#### 2.15.2.1. Standard tax treatment

Capital gains realized or capital losses incurred on the sale of Company Shares or Company Convertible Bonds, equal to the difference between, on the one hand, the purchase price offered and, on the other hand, the tax cost price for the Company Shares or Company Convertible Bonds tendered in the Offer, are subject to corporate income tax at the standard rate of 33 1/3% plus the 3.3% social contribution (Article 235 *ter* ZC of the French Tax Code) applicable to the

amount of corporate income tax less an allowance which may not exceed 763,000 euros per 12-month period.

However, for companies whose turnover excluding taxes is lower than 7,630,000 euros and whose share capital, fully paid-up, and at least 75% of which is held continuously during a given fiscal year by individuals or by a company meeting all these conditions, capital gains generated by the sale of the Company Shares or Company Convertible Bonds are taxed at a corporate tax rate of 15%, up to 38,120 euros of taxable profit per twelve-year period. These companies are also exempted from the above-mentioned social contribution of 3.3%.

The net capital gains realized on the sale of shares which do not fall within the scope of the definition set out in the third paragraph of Article 219 I a *quinquies* of the French Tax Code, the cost price of which is at least 22,800,000 euros and which meet the conditions for the parent-subsidiary tax regime provided for in Articles 145 and 216 of the French Tax Code other than the ownership of at least 5% of the subsidiary's share capital cease to qualify for the 15% reduced rate of taxation for long-term capital gains and are therefore subject to the standard tax regime described in the preceding paragraph.

#### 2.15.2.2. Special tax treatment of long-term capital gains

In accordance with the provisions of the aforementioned Article 219 I-a *quinquies* of the French Tax Code, net long-term capital gains realized on the sale of equity interests (titres de participation) which fall within the scope of the definition provided in that article and which have been held for more than two years are exempt from corporate income tax; for financial years beginning on or after January 1, 2007, a portion of costs and expenses equal to 5% of the net results from capital gains will be included in the calculation of taxable income to be taxed at the standard rate.

For the purposes of Article 219-I a *quinquies* of the French Tax Code, equity interests (titres de participation) shall be, inter alia, shares that are considered as equity interests for accounting purposes, and, under certain conditions, shares acquired pursuant to a public tender or exchange offer by the company initiating such offer, as well as securities that are eligible for the parent-subsidiary tax regime provided for in Articles 145 and 216 of the French Tax Code, except for securities in predominantly real estate companies.

The Company Convertible Bonds do not qualify for the regime provided by Article 219-I a *quinquies* of the French Tax Code.

The conditions for offsetting and carrying forward long-term capital losses are determined by specific tax rules, and the taxpayers concerned should contact their tax adviser to determine the rules applicable to their particular circumstances. In particular, capital losses recorded in respect of a financial year beginning on or after January 1, 2007 on the sale of securities eligible for the treatment provided for in the aforementioned Article 219 I a *quinquies* of the French Tax Code may be offset against capital gains of the same type recorded in respect of the same financial year but may not be carried forward to be offset against capital gains realized during following financial years.

#### 2.15.3 Individual and legal entity holders of Company Securities who are tax resident in France but subject to a different tax regime

Individual or legal entities, other than those referred to above, should seek advice from their usual tax adviser on the tax treatment that is applicable to their particular circumstances.

#### 2.15.4 Holders of Company Securities not tax resident in France

Capital gains realized on the sale of Company Securities for a consideration by persons who are not French tax residents within the meaning of Article 4 B of the French Tax Code or legal entities whose registered offices are located outside France are generally exempt from taxation in France, provided that (i) these capital gains are not connected with a permanent establishment or fixed base subject to taxation in France (Article 244 *bis* C of the French Tax Code) and (ii) the transferor has not directly or indirectly held at any time, alone or with his or her spouse, his or her ascendants or descendants, the ascendants or descendants of his or her spouse, corporate interests carrying the right to more than 25% of the profit of the company whose shares are being sold, at any time during the five years prior to the sale. The capital gains realized on the sale of a shareholding exceeding or having represented more than this 25% limit during the aforementioned period, are subject to tax at the proportional rate of 16% (Article 244 *bis* C of the French Tax Code), subject to more favorable provisions resulting from a tax treaty for the avoidance of double taxation. Capital gains realized on the sale of Company Convertibles Bonds or Company Warrants for a consideration by persons who are not French tax residents within the meaning of Article 4 B of the French Tax Code or legal entities whose registered offices are located outside France are generally exempt from taxation in France.

Shareholders who are not resident in France must generally seek tax advice on the tax treatment that is applicable to their particular circumstances.

#### 2.15.5 Stock exchange tax and registration duties

The sale of the Company Shares or Company Convertible Bonds on Eurolist by Euronext Paris is generally subject to a tax on stock exchange transactions, withheld at the rate of 0.3% for those transactions with values lower than, or equal to, 153,000 euros, and 0.15% for those with values above this amount. A discount of 23 euros per transaction is applied to this tax, the total amount of which may not exceed 610 euros per transaction. The tax on stock exchange transactions usually does not apply to non-residents.

In general, no registration duty is due in France for the sale of shares of a listed company, unless the sale is recorded in a deed drawn up in France. In this case, the deed must be registered, and as a result, is subject to the payment of a duty of 1.1% up to 4,000 euros.

### **3 VALUATION CRITERIA FOR THE OFFER**

#### **3.1 ASSESSMENT OF THE OFFER PRICE FOR BUSINESS OBJECTS SHARES**

Business Objects shareholders will receive for each Company Share tendered in the Offer 42.00 euros in cash.

The consideration proposed in the Offer has been assessed through a multicriteria analysis based on the following customary valuation methods:

- analysis of trading prices
- analysis of comparable companies
- analysis of precedent transactions

Other methodologies were not considered as relevant for the purpose of valuing Business Objects:

- dividend yield : the Company has not paid any dividend recently and is not expected to pay any dividend in 2007 and 2008;

- net asset book value : the reference to the Company's net asset book value is irrelevant for a software company developing mainly intellectual property and other intangible assets
- discounted cash flow : Offeror has not had access to a business plan over a long enough period (at least 5 years) required for a discounted cash flow analysis.

Business Objects' capital stock, which is listed on the Euronext Paris and the NASDAQ Global Selected Market (as for the ADS), is liquid, with a large free float, and is followed by several research analysts. Business Objects regularly discloses information on its financial results and its business prospects. It can therefore be assumed that these elements are reflected in the analysts' reports on Business Objects and that the Business Objects share price is a relevant reference.

The principal sources of information utilized and assumptions relied-upon for the purpose of this valuation are presented below. The elements presented below have been prepared relying upon the accuracy and completeness of the information obtained from the sources referred to in this analysis without any independent verification of such information or any independent valuation or appraisal of any of the assets or liabilities of Business Objects.

The financial metrics used to assess the terms and conditions of the Offer are derived from the consolidated financial statements of Business Objects based on generally accepted US accounting principles (US GAAP).

### 3.1.1 Analysis of trading prices

The table below indicates the implicit premia of the Offer based on (i) the last quoted share price for Business Objects before the announcement of the Offer, i.e., October 5, 2007 and (ii) the day before the published rumors that Business Objects had hired a financial advisor (article in French newspaper, Le Figaro, on September 15, 2007), i.e., September 14, 2007.

The implied premiums of the Offer are calculated using the Share Price of 42.00 euros.

	Business Objects (euros/share)	Implied Premium(%)
Last quoted price before the announcement of the Offer ( <i>October 5, 2007</i> )	35.00	+20.0%
Last quoted price before published rumors ( <i>September 14, 2007</i> )	31.10	+35.0%
5-day average <sup>(1)</sup>	31.63	+32.8%
1-month average <sup>(1)</sup>	30.83	+36.2%
3-month average <sup>(1)</sup>	30.85	+36.1%
6-month average <sup>(1)</sup>	29.71	+41.4%
12-month average <sup>(1)</sup>	28.94	+45.1%
12-month high <sup>(2)</sup>	33.43	+25.6%
12-month low <sup>(2)</sup>	24.00	+75.0%

*Source: Datastream*

*(1) Volume-weighted average on Euronext Paris, through September 14, 2007*

*(2) Based on listing on Euronext Paris, through September 14, 2007*

### 3.1.2 Analysis of comparable companies

Companies in the software industry are customarily compared on the basis of their enterprise value to revenue (EV/revenue), their enterprise value to operating income (EV/EBIT) and their price to earnings per share (P/E) multiples. The enterprise value is the sum of the equity market value including in-the-money outstanding options, warrants and convertible securities, treasury-

adjusted, plus financial debt, plus minority interests and minus cash and cash equivalents (on the basis of latest available consolidated accounts).

In general, investors base investment decisions on future profitability and the companies selected are covered by financial analysts providing estimates of future financial performance. In the software sector, 2007 and 2008 are currently regarded as the most relevant periods. The selected comparable companies are covered by several equity research analysts and consensus estimates for the periods 2007 and 2008 are widely available.

The table below summarizes the EV/revenue, EV/EBIT and P/E multiples for a sample of large capitalization software companies (Microsoft, IBM, Hewlett-Packard, Oracle, SAP, EMC) and business intelligence software companies (Cognos, Fair Issac, Omniture, NICE-Systems, Informatica, Verint, MicroStrategy, SPSS) based on consensus revenue, EBIT and EPS estimates calendarized to reflect a December 31 year end.

Business Objects competes primarily in the business intelligence sector. Although the large market capitalization software companies included below are significantly larger than Business Objects, these companies provide a relevant valuation comparison because Business Objects has similar growth, is subject to many of the same industry trends and cycles, and has similar margins. In addition, Business Objects is the largest and most diverse company in the business intelligence space. Consequently, the comparison to the large market capitalization software companies, as well as to the business intelligence software companies, listed below is appropriate.

	Share price (US\$)	Equity value (US\$bn)	EV/revenue		EV/EBIT		P/E	
			2007	2008	2007	2008	2007	2008
Microsoft	29.70	279.4	4.7x	4.1x	12.1x	10.9x	18.3x	16.3x
IBM	118.36	166.0	2.0x	1.9x	14.1x	12.8x	17.0x	14.9x
Hewlett-Packard	51.04	141.2	1.3x	1.3x	14.3x	12.9x	16.5x	14.7x
Oracle	21.85	116.0	5.9x	5.3x	14.4x	12.4x	19.5x	16.3x
SAP	58.71	74.8	4.8x	4.3x	18.3x	15.7x	25.2x	20.8x
EMC	21.37	51.1	3.5x	3.1x	26.1x	21.2x	31.0x	25.4x
Cognos	42.81	3.9	3.1x	2.8x	16.2x	13.8x	21.2x	18.2x
Fair Isaac	36.61	2.1	2.8x	2.7x	13.6x	11.4x	17.9x	15.3x
Omniture	30.83	2.0	13.1x	8.7x	nm	nm	nm	80.4x
Nice-Systems	37.61	2.1	3.3x	2.8x	20.3x	14.5x	24.6x	21.5x
Informatica	15.91	1.5	3.4x	3.0x	26.4x	20.6x	23.4x	22.1x
Verint	25.75	1.1	2.9x	2.3x	22.5x	11.9x	32.6x	15.1x
MicroStrategy	83.01	1.1	2.9x	2.7x	11.5x	10.7x	18.4x	15.3x
SPSS	43.13	0.9	2.6x	2.3x	15.8x	12.9x	23.0x	20.1x
Median Multiple			3.2x	2.8x	15.8x	12.9x	21.2x	17.3x
Implied Business Object share price based on median multiple (euros/share)			36.6	36.5	32.9	33.2	30.4	30.8
Premium to 42.0 euros (%)			+14.9%	+15.2%	+27.7%	+26.7%	+38.3%	+36.5%

Source: Consolidated financial statements and FactSet (share prices and market values as of October 2, 2007). Comparable company projections based on Wall Street research reports. Business Objects estimates based on Wall Street research dated 30/08/07; consistent with I/B/E/S consensus estimates as of 02/10/07

Note: EBIT multiples greater than 50.0x and P/E multiples greater than 100.0x considered not meaningful. US\$/€ exchange rate of €1.00 = US\$1.412

Based on the Share Price, Business Objects is valued at a premium of +14.9%, +15.2%, +27.7%, +26.7%, +38.3%, and +36.5% to the equity value implied for Business Objects when applying the median of 2007 and 2008 EV/Revenue, the median of 2007 and 2008 EV/EBIT and the median of 2007 and 2008 P/E multiples respectively, of a sample of business intelligence and large market capitalization software companies.

### 3.1.3 Analysis of precedent transactions

This analysis consists of comparing the implicit multiples based on the Share Price with multiples of precedent transactions in the large market capitalization software and business intelligence software markets.

Each transaction is specific and the prices offered for each transaction take into account the dynamics of each transaction, the expected synergies and the pre-transaction level of valuation of each company at the time of the transactions.

Subject to these conditions, the selected transactions include all transactions with equity value greater than \$1.0 billion in the software sector and all transactions with equity value greater than \$100 million in the business intelligence software sector completed over the last two years. A majority of the selected transactions are acquisitions with only cash as part of the offer consideration and those acquisitions made by a strategic acquirer.

It is estimated that the acquisition of Hyperion Solutions by Oracle (announced in March 2007) is the most relevant precedent transaction.

The results of the analysis of precedent transactions based on enterprise value per LTM Revenue and price per LTM EPS are summarized in the table below:

Date	Target	Acquirer	Consideration	Transaction EV (US\$bn)	EV/revenue (LTM)	P/E (LTM)
05/09/07	Applix	Cognos	Stock	0.3	5.0x	33.7x
23/07/07	Opware	Hewlett-Packard	Cash	1.6	15.1x	nm.
23/04/07	Cartesis S.A.	Business Objects	Cash	0.3	2.3x	na.
23/03/07	Kronos	Hellman & Friedman	Cash	1.8	3.0x	29.1x
15/03/07	WebEx	Cisco	Cash	2.9	7.6x	39.9x
01/03/07	Hyperion Solutions	Oracle	Cash	2.8	3.4x	30.5x
12/02/07	Witness Systems	Verint Systems	Cash	1.0	4.4x	35.3x
25/01/07	UGS	Siemens AG	Cash	3.5	2.9x	na
30/11/06	Digital Insight	Intuit	Cash	1.3	5.3x	37.7x
16/10/06	Open Solutions	Carlyle Group / Providence Equity	Cash	1.3	3.2x	77.0x
12/09/06	ALG Software	Business Objects	Cash	0.1	2.5x	na
31/08/06	Intergraph	Private equity	Cash	1.1	1.8x	24.1x

*English translation for information purposes only.  
Investors should only rely on the French tender offer document filed with the AMF*

		consortium					
23/08/06	Internet Security Systems	IBM	Cash	1.1	3.2x	29.5x	
10/08/06	FileNet	IBM	Cash	1.1	2.5x	30.4x	
08/08/06	Reynolds and Reynolds	Universal Computer Systems	Cash	2.9	3.0x	na	
25/07/06	Mercury Interactive	Hewlett-Packard	Cash	4.5	5.2x	32.5x	
29/06/06	RSA Security	EMC	Cash	2.1	6.7x	51.1x	
14/05/06	SSA Global Techn.	Infor	Cash	1.6	2.2x	18.4x	
08/02/06	Firstlogic	Business Objects	Cash	0.1	1.4x	na	
26/01/06	Similarity Systems	Informatica	Cash	0.1	7.3x	na.	
11/11/05	Serena	Silver Lake Partners	Cash	1.1	4.2x	17.9x	
07/11/05	GEAC Computer	Golden Gate Capital	Cash	0.8	1.8x	13.4x	
12/09/05	Siebel Systems	Oracle	Combo	3.6	2.7x	70.6x	
20/07/05	SRC Software	Business Objects	Cash	0.1	3.1x	na	
05/07/05	Aspect Com.	Concerto Software	Cash	0.8	2.2x	23.8x	
28/03/05	Sungard Data Systems	Silver Lake Partners led consortium	Cash	10.8	3.0x	25.7x	
18/04/05	Macromedia	Adobe	Stock	3.1	7.3x	49.2x	
28/03/05	WebTrends	Francisco Partners	Cash	0.1	1.9x	na	
14/03/05	Ascential	IBM	Cash	0.6	2.4x	56.1x	
Median Multiple						3.0x	31.5x
Implied Business Object share price based on median multiple (euros/share)						31.2	41.4
<i>Premium to 42.0 euros (%)</i>						<i>+34.7%</i>	<i>+1.4%</i>
Implied Business Object share price based on Hyperion transaction multiple (euros/share)						35.3	40.1
<i>Premium to 42.0 euros (%)</i>						<i>+18.9%</i>	<i>+4.6%</i>

*Source: Company filings, research analysts reports, FactSet; LTM for Business Objects based on 30/06/06 – 30/06/07 results*

*Note: "na": not applicable given lack of public information disclosure*

The Offer's implicit multiples correspond to premia in the +1.4%/+34.7% range compared to median multiples observed in the selection above and in the +4.6%/+18.9% range compared to multiples observed in the Oracle/Hyperion Solutions transaction.

*English translation for information purposes only.  
Investors should only rely on the French tender offer document filed with the AMF*

In addition to the precedent transaction multiples analysis, the table below summarizes the premiums to market prices observed at the time of such transactions. The premia are based on the spot price 1 day and 5 days preceding the announcement of each transaction.

Date	Target	Acquirer	Consideration	Stock price premium: 1-day prior	Stock price premium: 5-day prior
05/09/07	Applix	Cognos	Stock	22.4%	23.2%
23/07/07	Opsware	Hewlett-Packard	Cash	38.6%	43.1%
23/03/07	Kronos	Hellman & Friedman	Cash	17.9%	32.6%
15/03/07	WebEx	Cisco	Cash	23.4%	23.1%
01/03/07	Hyperion Solutions	Oracle	Cash	21.4%	18.3%
12/02/07	Witness Systems	Verint Systems	Cash	23.5%	23.0%
30/11/06	Digital Insight	Intuit	Cash	18.2%	16.7%
16/10/06	Open Solutions	Carlyle Group / Providence Equity	Cash	25.5%	30.9%
31/08/06	Intergraph	Private equity consortium	Cash	17.8%	23.0%
23/08/06	Internet Security Systems	IBM	Cash	44.7%	48.1%
10/08/06	FileNet	IBM	Cash	1.0%	4.0%
08/08/06	Reynolds and Reynolds	Universal Computer Systems	Cash	14.0%	14.2%
25/07/06	Mercury Interactive	Hewlett-Packard	Cash	33.3%	37.0%
29/06/06	RSA Security	EMC	Cash	44.6%	49.2%
14/05/06	SSA Global Technologies	Infor	Cash	25.1%	22.4%
11/11/05	Serena	Silver Lake Partners	Cash	19.8%	19.8%
07/11/05	GEAC Computer	Golden Gate Capital	Cash	26.6%	25.0%
12/09/05	Siebel Systems	Oracle	Combo	16.8%	28.3%
05/07/05	Aspect Communications	Concerto Software	Cash	30.3%	31.1%
18/04/05	Macromedia	Adobe	Stock	25.1%	17.0%
28/03/05	Sungard Data Systems	Silver Lake Partners led consortium	Cash	44.3%	41.5%
14/03/05	Ascential	IBM	Cash	17.8%	17.0%
Median premium				+23.4%	+23.2%

Source: Company filings, research analysts reports, FactSet

### 3.1.4 Summary of the valuation of the Offer per Company Share

Methodology	Euros/Share	Implied premium
Trading prices		
Last quoted price before the announcement of the Offer ( <i>October 5, 2007</i> )	35.00	+20.0%
Last quoted price before published rumors ( <i>September 14, 2007</i> )	31.10	+35.0%
5-day average <sup>(1)</sup>	31.63	+32.8%
1-month average <sup>(1)</sup>	30.83	+36.2%
3-month average <sup>(1)</sup>	30.85	+36.1%
6-month average <sup>(1)</sup>	29.71	+41.4%
12-month average <sup>(1)</sup>	28.94	+45.1%
12-month high <sup>(2)</sup>	33.43	+25.6%
12-month low <sup>(2)</sup>	24.00	+75.0%
Comparable companies		
EV/revenue	36.6/36.5	+14.9% / +15.2%
EV/EBIT	32.9/33.2	+27.7% / +26.7%
P/E	30.4/30.8	+38.3% / +36.5%
Precedent transactions		
EV/revenue and P/E (median multiples from the sample)	31.2/41.4	+1.4%/+34.7%
EV/revenue and P/E (multiples from Oracle/Hyperion Solutions)	35.3/40.1	+4.6% / +18.9%

*Source: Datastream*

*(1) Volume-weighted average on Euronext Paris, through September 14, 2007*

*(2) Based on listing on Euronext Paris, through September 14, 2007*

### 3.2 ASSESSMENT OF THE OFFER PRICE FOR THE COMPANY WARRANTS

The Company Warrants targeted by the Offer were granted to board members and are not listed or transferable, save in the Offer and in the Subsequent Offer. These Warrants are all largely 'in-the-money' based on the Share Price (+40.0% to 146.5% above the exercise prices ranging from between 17.04 euros and 29.99 euros).

The terms of the Offer made for Business Objects Warrants are identical to the terms of the Offer made for the underlying Company Shares after deduction of the exercise price as if Warrants holders elected to convert the Warrants and tender the underlying shares instead of the Warrants.

Consequently, the assessment of the Offer for the Warrants is identical to the assessment of the Offer for Company Shares.

### 3.3 ASSESSMENT OF THE OFFER PRICE FOR THE COMPANY CONVERTIBLE BONDS

#### 3.3.1 Summary of principal terms of the Company Convertible Bonds (ORNANE)

On May 11, 2007, Business Objects issued in a principal amount of 450 million euros 2.25% convertible/exchangeable bonds (*obligations à option de remboursement en numéraire et en actions nouvelles ou existantes*, or "ORNANE"), due January 1, 2027 pursuant to a Prospectus approved by the AMF on May 3, 2007, under visa number 07-140.

The ORNANE are convertible into cash and new or existing shares at any time (i) from May 11, 2009 and until the business day immediately preceding May 11, 2022 or (ii) during any period during which a US registration statement becomes or is declared effective by the US Securities

Exchange Commission and remains effective and available for use in connection with the conversion and/or exchange of the ORNANE, upon the occurrence of certain events. In general, the conversion ratio is 1 share per ORNANE (42.15 euros nominal amount), and upon exercise of the conversion right by any holder, the Company will deliver with respect to each ORNANE a "settlement amount" approximately equal to the value of a share, whose amount granted will approximately be determined and divided as follows (i) if the settlement amount is inferior to the nominal value of an ORNANE, the holder will receive the full settlement amount in cash and (ii) if the settlement amount is superior to the nominal value of an ORNANE, the holder will receive the settlement amount partly in cash (amounting to the nominal value) and for the balance partly in shares of the Company.

The Company may request the early redemption of the ORNANE under certain circumstances, including, from May 11, 2012 until seven business days before the maturity date (January 1, 2027), if the product of (i) the applicable conversion ratio and (ii) the volume-weighted average price of the Company's shares on each of 10 consecutive trading days during which the shares are listed, as selected by the Company from among the 20 consecutive trading days preceding the date of publication of a notice relating to such early redemption, exceeds 125% of the nominal amount of the bonds. In this case, the ORNANE shall be redeemed at a price equal to 100% of their nominal amount, plus any accrued and unpaid interest.

ORNANE holders may request the early redemption of the ORNANE in certain circumstances, including upon a change of control of the Company. If the change of control event is a cash tender offer that may be reopened, the conversion right in shares will be exercisable after the announcement of the results of the tender offer and the conversion ratio provides for an additional number of shares as described below in the analysis of the conversion value. As indicated below, prior to May 2009, the holders of Company Convertible Bonds cannot exercise their option to convert their bonds into Company Shares unless Business Objects files a registration statement in the United States for the shares underlying the ORNANE and this registration statement becomes effective or declared to be effective. Considering the commitment of Business Objects from the Tender Offer Agreement and the information provided in the response document from the Company, it is anticipated that the early redemption period due to the filing of the registration statement will be in place during the reopening of the Offer described in the paragraph 2.11.

### 3.3.2 Offer price for the Convertible Bonds

Company Convertible Bond holders will receive for each Company Convertible Bond tendered in the Offer 50.65 euros excluding January 1, 2008 coupon.

The ORNANE are described in the prospectus stamped by the AMF of 3 May 2007 under the registration number 07-140.

#### 3.3.2.1 Analysis of the conversion value

When excluding a case of change of control and certain financial transactions, the conversion value for a Company Convertible Bond is determined by multiplying the conversion ratio (i.e., 1.0) by the value of a share of the Company. Based on the Share Price of 42.00 euros per Company Share, the Company Convertible Bond Price of 50.65 euros represents therefore a premium of 20.6% over the general case of conversion value per ORNANE.

However, in the event of a tender offer that results in the publication of a notice of positive results, the conversion ratio might be increased for a fixed period of time so that the number of shares resulting from the application of the conversion ratio (currently 1.0 per ORNANE) will be increased by an additional number of shares as defined in the Prospectus of the ORNANE. In the case of the Offer, the additional number of Shares which would be attributed is detailed in the

table below, based on the day immediately following the publication of a notice of positive results of the Offer and the Offer price per common share.

Offer price per share	May 3, 2007	May 11, 2008
40.0 euros	0.2302	0.2258
45.0 euros	0.1781	0.1721

*Source: Prospectus*

The additional number of shares is determined by straight line interpolation between 40.00 euros and 45.00 euros and between May 3, 2007 and May 11, 2008 based on a 365 day year.

This type of conversion ratio adjustment in the event of a public offer is standard US practice and introduces the theoretical value concept in order to compensate for the loss of option value of the convertible bonds or redeemable in shares in the event of a public offer; the resulting value constitutes, therefore, a meaningful price reference in the multi-criteria analysis.

The publication of the notice of positive results of the initial Offer is expected on January 15, 2008. The Company Convertible Bond Price is consistent with the conversion value as at this date. The table below indicates the sensitivity of such premium to the date of publication of the results of the Offer.

Date of publication of the notice of positive results of the Offer	Implied conversion value of the ORNANE due to the Offer (Euros)	Implied premium
January 15, 2008	50.6477 euros	+0.00%
January 31, 2008	50.6386 euros	+0.02%
February 15, 2008	50.6301 euros	+0.04%

### 3.3.2.2 Analysis of Trading Prices

The Company Convertible Bond Price of 50.65 euros for a Business Objects ORNANE compares to the historical trading prices, adjusted for the 0.61 euros coupon payable on January 1, 2008 before the settlement-delivery of the Offer, as follows:

	Business Objects (Euros/ORNANE cum-coupon)	Implied premium(%)
Last price before the announcement of the Offer ( <i>October 5, 2007</i> )	48.00	+6.9%
Last price before published rumors ( <i>September 14, 2007 September 14, 2007</i> )	44.76	+14.7%
5-day average <sup>(1)</sup>	45.10	+13.8%
1-month average <sup>(1)</sup>	44.27	+16.0%
3-month average <sup>(1)</sup>	43.82	+17.2%
6-month average <sup>(1)</sup>	n/a	n/a
12-month average <sup>(1)</sup>	n/a	n/a
Historical high <sup>(1)</sup>	48.00	+6.9%
Historical low <sup>(1)</sup>	41.80	+23.0%

*Source: DB Convertibles*

*(1) through September 14, 2007*

The above trading prices refer only to over-the-counter transactions. There is nearly no trading volume on regulated markets for the Company Convertible Bonds.

### 3.3.2.3 Analysis of the present value to maturity

In case of early redemption requested by the Company, the theoretical value of an ORNANE to maturity without exercise of the option of conversion into cash and new or issued Company Shares by the holders has been determined as the present value of its coupons until the first put date (May 11, 2012) and the present value of the put at 42.15 euros on May 11, 2012, discounted at a rate of 4.74% (i.e. the interpolated swap rate for the same tenor) plus the relevant credit spread.

Based on a credit spread of 175bps for Business Objects, this present value of the ORNANE assuming no exercise of the option of conversion into cash and new or issued Company Shares by the holders and including the 2007 accrued interest coupon is 35.89 euros per ORNANE. The Company Convertible Bond Price represents a premium of 43.6% compared to this present value adjusted for the coupon payable on January 1, 2008.

It is specified that this analysis provides a secondary reference since it neglects the option value of the Company Convertible Bonds.

### 3.3.2.4 Analysis of the theoretical value

The value of the Company Convertible Bond has been assessed with a methodology consistent with the Cox, Ross & Rubinstein methodology and according to market conditions prevailing on September 14, 2007, the last day before the published rumors related to the Offer.

The following assumptions have been used:

- Business Objects reference share price: 42.00 euros equal to the Share Price
- Credit spread for Business Objects: 175bps, consistent with market conditions for a company such as Business Objects and consistent with investors' assumptions since the Convertible Bonds have been issued
- Borrow cost: 50bps
- Dividend: 0 euros for Business Objects
- Volatility: 30.0% (the 260 day historical volatility of the Company Shares, prior to the published rumors, on September 14, 2007 was 29.31%; the median 260 day volatility for the comparable companies is 25.96%). The historical volatility of Business Objects shares and the implied volatility derived from the trading price of the ORNANE just prior to the announcement of the Offer have presumably been affected by the rumors and should therefore not be considered as representative of the long term volatility of Business Objects. The volatility observed on the options market is not relevant for Business Objects because these options have a limited liquidity and a very short maturity and have also presumably been affected by expectations of the Offer. Furthermore, analysis of the expected volatility performed by investors when the Convertible Bonds were issued a few months prior to the Offer implies a volatility of 30%, both for the determination of the issuance price of the ORNANE and for the adjustment clause of the conversion ratio as defined in section 3.3.2.1.

In any case, the above analysis is based on a volatility assumption in normal trading conditions, which is not fully consistent with the Share Price. The volatility around the Share Price is arguably much lower.

Based on these assumptions, a theoretical value calculation of the Convertible Bond as of October 4, 2007 would result in a value for the ORNANE of 50.75 euros including the coupon for 2007 accrued interest. The Company Convertible Bond Price of 50.65 euros represents a 1.0% premium to such theoretical value ex-coupon.

The table below represents a sensitivity analysis of the theoretical value ex-coupon depending on volatility and credit spread parameters around the central case at 30% and 175bps respectively.

	Credit spread		
	150bps	175bps	200bps
Volatility			
25%	48.97	48.76	48.55
30%	50.37	50.14	49.91
35%	51.77	51.52	51.28

### 3.3.2.5 Summary valuation of the Offer price per Company Convertible Bond (ORNANE)

The values presented below are adjusted for the coupon payable on January 1, 2008.

Methodology	Euros/Company Convertible Bond ex- coupon	Implied Premium
Conversion value		
Initial conversion ratio (1 Company Share for 1 ORNANE)	42.0	+20.6%
Increased conversion ratio due to the Offer (Jan 15/Feb 15, 2008)	50.65/50.63	+0.0%/0.0%
Trading prices		
Last price before the announcement of the Offer ( <i>October 5, 2007</i> )	47.39	+6.9%
Last price before published rumors ( <i>September 14, 2007</i> )	44.14	+14.7%
5-day average <sup>(1)</sup>	44.49	+13.8%
1-month average <sup>(1)</sup>	43.66	+16.0%
3-month average <sup>(1)</sup>	43.21	+17.2%
6-month average <sup>(1)</sup>	n/a	n/a
12-month average <sup>(1)</sup>	n/a	n/a
Historical high <sup>(1)</sup>	47.39	+6.9%
Historical low <sup>(1)</sup>	41.19	+23.0%
Present value to maturity		
Put in 2012	35.28	+43.6%
Theoretical value		
Based on 42.0 euros per share reference price	50.14	+1.0%

## 4 PERSONS RESPONSIBLE FOR THE OFFER DOCUMENT

### 4.1 For the presentation of the Offer

*"In accordance with Article 231-18 of the AMF General Regulations, Deutsche Bank AG, Paris Branch, the institution presenting the Offer, declares that to its knowledge, the presentation of the Offer it has examined, on the basis of information provided by the Offeror, and the criteria for determining the proposed price, are in accordance with the facts and nothing has been omitted which could make it misleading."*

Deutsche Bank AG, Paris Branch
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*English translation for information purposes only.  
Investors should only rely on the French tender offer document filed with the AMF*

4.2 For the Offeror

*" To my knowledge, the information contained in this offer document is in accordance with the facts and nothing has been omitted that could make it misleading."*

Pascal Rialland  
Chief Executive Officer  
(*Directeur Général*)