

**BUSINESS OBJECTS S.A.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands of US dollars)

	Nine Months Ended	
	September 30,	
	2004	2003
	(unaudited)	
<b>Operating activities:</b>		
Net income	\$ 25,777	\$ 31,167
Adjustment to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization of property and equipment	25,224	12,087
Amortization of other intangible assets	23,085	2,073
Stock-based compensation expense	5,309	-
Deferred income taxes	(17,456)	1,857
Tax benefit from employee stock plans	2,517	-
Changes in operating assets and liabilities:		
Accounts receivable, net	3,549	14,405
Prepaid and other current assets	(7,045)	(9,599)
Deposits and other assets	(16,873)	174
Accounts payable	(11,411)	8,065
Accrued payroll and related expenses	(21,444)	(455)
Income taxes payable	3,925	(4,709)
Deferred revenues	32,671	17,364
Restructuring liability and other current liabilities	(7,672)	(5,048)
Net cash provided by operating activities	40,156	67,381
<b>Investing activities:</b>		
Purchases of property and equipment, net	(24,161)	(7,564)
Change in estimate in restructuring accrual for Acta acquisition	-	2,741
Purchase of short-term investments	-	(31,851)
Net cash used in investing activities	(24,161)	(36,674)
<b>Financing activities:</b>		
Issuance of shares	28,191	14,675
Purchase of treasury shares	(40,231)	-
Transfer of cash (to) from restricted cash accounts	(17,861)	793
Payments on notes and escrow payable	(3,083)	(793)
Net cash provided by (used in) financing activities	(32,984)	14,675
Effect of foreign exchange rate changes on cash and cash equivalents	4,225	18,644
Net increase (decrease) in cash and cash equivalents	(12,764)	64,026
Cash and cash equivalents, beginning of period	235,380	233,941
Cash and cash equivalents, end of period	\$ 222,616	\$ 297,967
Short-term investments, end of period	-	81,979
Cash and cash equivalents and short-term investments, end of period	\$ 222,616	\$ 379,946