

**BUSINESS OBJECTS S.A.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(In thousands, except per ordinary share and ADS data)

	Three Months Ended	
	March 31,	
	2005	2004
	(unaudited)	
Revenues:		
Net license fees	\$ 115,151	\$ 114,493
Services	133,624	102,742
Total revenues	<u>248,775</u>	<u>217,235</u>
Cost of revenues:		
Net license fees	7,168	7,682
Services	51,381	41,630
Total cost of revenues	<u>58,549</u>	<u>49,312</u>
Gross profit	190,226	167,923
Operating expenses:		
Sales and marketing	103,722	97,181
Research and development	40,274	39,703
General and administrative	24,813	21,712
Total operating expenses	<u>168,809</u>	<u>158,596</u>
Income from operations	21,417	9,327
Interest and other income (expense), net	4,400	(4,068)
Income before provision for income taxes	25,817	5,259
Provision for income taxes	(10,811)	(1,999)
Net income	<u>\$ 15,006</u>	<u>\$ 3,260</u>
Basic net income per ordinary share and ADS	<u>\$ 0.17</u>	<u>\$ 0.04</u>
Diluted net income per ordinary share and ADS	<u>\$ 0.16</u>	<u>\$ 0.04</u>
Ordinary shares and ADSs used in computing basic net income per ordinary share and ADS	<u>89,424</u>	<u>88,632</u>
Ordinary shares and ADSs and equivalents used in computing diluted net income per ordinary share and ADS	<u>91,184</u>	<u>92,305</u>