

First Quarter 2005

Earnings Conference Call
April 28, 2005



Safe Harbor: Forward Looking Statements

During the course of today's call, our executives will make projections and other forward-looking statements, including statements regarding product acceptance, strategic and operational plans, the company's expectations of the business outlook, future financial and operating results, in particular with regard to the second quarter and full year 2005. We wish to caution you that such statements are just predictions based on management's current expectations or beliefs, and that actual events or results may differ materially. We refer you to documents the company files with the Securities and Exchange Commission, including the Form 10-K for the year ended December 31, 2004. These documents identify important risk factors that could cause actual results to differ materially from those contained in our forward-looking statements. We caution you that the company assumes no duty to confirm, update or revise the financial forecast for the quarter or for the year, or any other forward-looking information in this call or in this presentation, as a result of new developments or otherwise.

Our discussion today will also include Non-GAAP financial measures, also known as "pro forma". Reconciliations of US GAAP to non-GAAP financial statements are available in our press release and on our investor relations web page at www.businessobjects.com.

Use of Non-GAAP Financial Measures

The pro forma financial measures such as revenue, operating income, net income and earnings per share information included in this presentation are different from those otherwise presented under US GAAP as these pro forma measures exclude certain charges. These charges represent amortization of intangible assets, deferred stock-based compensation expense and restructuring charges, all primarily associated with the acquisition of Crystal Decisions. Business Objects has provided these measures in addition to US GAAP financial results because management believes these pro forma measures provide a consistent basis for comparison between quarters and of growth rates year-over-year that are not influenced by certain non-cash charges or impacts of prior period acquisitions, and therefore is helpful in understanding Business Objects' underlying operating results. In addition, this press release also includes non-GAAP measures that use a constant currency to separate the impact of conversion from other foreign currencies to US dollars from other changes in our business. These non-GAAP measures are some of the primary measures Business Objects' management uses for planning and forecasting. These measures are not in accordance with, or an alternative to US GAAP and these non-GAAP measures may not be comparable to information provided by other companies. Reconciliations of US GAAP to pro forma results are presented at the end of our press release and on our website at www.businessobjects.com.

Financial Results

Jim Tolonen, CFO

First Quarter 2005 Results

Total Revenues	\$248.8M
License Revenues	\$115.2M
US GAAP Diluted EPS	\$0.16
Pro forma Diluted EPS	\$0.24

- Total revenues grew 15% year-over-year
- Revenues exceeded Company guidance of \$235M - \$240M
- US GAAP Diluted EPS of \$0.16 was at the high end of Company guidance range of \$0.13 – \$0.16 per share; Pro forma Diluted EPS exceeded Company guidance of \$0.19 - \$0.22 per share

Product Line Review

Q1 2005

Software license revenues totaled Up 1% year-over-year	\$115.2M
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Query, Reporting and Analysis: 88% of license revenues	\$101.0M
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Performance Management: 7% of license revenues	\$8.2M
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Data Integration: 5% of license revenues	\$6.0M
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Services Revenues

Q1 2005

Maintenance:	\$100.1M
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Consulting and Training:	\$33.5M
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Total Services Revenues:	\$133.6M
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Q1 Summary Income Statement

Q1 2005

	US GAAP		Pro Forma	
Revenues	\$248.8M	100%	\$248.8M	100%
Cost of Revenues	\$58.6M	24%	\$50.6M	20%
Gross Margin	\$190.2M	76%	\$198.2M	80%
Operating Expenses	\$168.8M	68%	\$167.6M	67%
Income from Operations	\$21.4M	9%	\$30.6M	12%
Interest and Other Income	\$4.4M	2%	\$4.4M	2%
Income Before Taxes	\$25.8M	10%	\$35.0M	14%
Net Income	\$15.0M	6%	\$22.1M	9%
EPS - Diluted	\$0.16		\$0.24	

Strong Balance Sheet

Q1 2005

Total Cash and Investments*	\$392.3M
Deferred Revenues	\$210.1M
Total Assets	\$1.9B
DSO	66 days

* Cash and investments includes cash, cash equivalents, restricted cash and short-term investments

Guidance Second Quarter 2005

	Q2 2005 Guidance
Revenue range	\$250 – \$255M
US GAAP Diluted EPS range	\$0.20 – \$0.22
Pro forma Diluted EPS range	\$0.26 – \$0.28

- Pro forma diluted EPS guidance excludes amortization of intangible assets and deferred stock-based compensation expense totaling approximately \$0.06 per share.

Guidance Full Year 2005

	FY 2005 Guidance
Revenue range	\$1.010M – \$1.035M
US GAAP Diluted EPS range	\$0.82 – \$0.92
Pro forma Diluted EPS range	\$1.07 – \$1.17

- Pro forma diluted EPS guidance excludes amortization of intangible assets and deferred stock-based compensation expense totaling approximately \$0.25 per share.

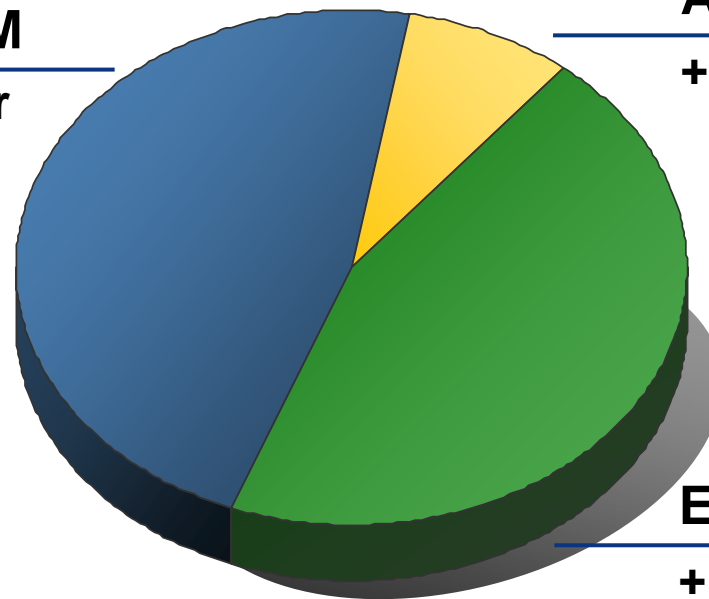


Strategic Outlook

Bernard Liautaud, CEO

Revenue Growth by Geography – Q1 2005

Americas: \$118.1M
+13% year-over-year



AsiaPac: \$19.5M
+17% year-over-year

EMEA: \$111.2M
+15% year-over-year

Q1 Customer Successes



中国太平洋财产保险股份有限公司

BusinessObjects XI Gaining Traction

- ▶ **BusinessObjects XI contributed more than \$15M in license revenues**
- ▶ **BusinessObjects XI success driven by the Americas**
- ▶ **BusinessObjects XI was the differentiator in many competitive deals**
- ▶ **80 city launch tour exceeded expectations**
- ▶ **Partners are accelerating their plans to support XI**

BusinessObjects™ XI

- ▶ Full stack of best-of-breed products
- ▶ Single trusted platform
- ▶ The most scalable server in the industry
- ▶ Unparalleled integration with Microsoft Office

Areas of Focus 2005

- ▶ **BI standardization**
- ▶ **Expanding presence in the mid-market**
- ▶ **Enterprise Performance Management**
- ▶ **Opportunity for margin expansion**

Questions and Answers

