

BUSINESS OBJECTS S.A.
Q1 FISCAL 2005 SUPPLEMENTAL INFORMATION
(in millions except per ordinary share and ADS data)
(Unaudited)

	Fiscal 2004					Fiscal 2005				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
SUPPLEMENTAL INCOME STATEMENT INFORMATION										
Revenues										
Net license fees	\$ 114.5	\$ 117.2	\$ 105.7	\$ 136.0	\$ 473.4	\$ 115.2				
Maintenance	73.8	75.6	84.4	97.0	330.8	100.1				
Consulting and training	28.9	29.4	29.4	33.7	121.4	33.5				
Total revenues	<u>217.2</u>	<u>222.2</u>	<u>219.5</u>	<u>266.7</u>	<u>925.6</u>	<u>248.8</u>				
Total expenses										
Cost of net license fees	2.5	1.0	2.1	2.4	8.0	1.7				
Cost of services revenues	39.0	38.8	39.9	44.1	161.8	48.9				
Sales and marketing	96.5	98.6	95.9	113.2	404.2	103.2				
Research and development	39.1	36.1	34.9	38.7	148.8	40.0				
General and administrative	20.9	18.6	20.9	21.1	81.5	24.4				
Amortization of intangible assets	7.8	7.6	7.6	7.7	30.7	8.1				
Stock-based compensation (1)	2.1	1.7	1.5	1.4	6.7	1.2				
Restructuring costs	-	1.5	-	0.7	2.2	(0.1)				
Total expenses	<u>207.9</u>	<u>203.9</u>	<u>202.8</u>	<u>229.3</u>	<u>843.9</u>	<u>227.4</u>				
Income from operations	<u>9.3</u>	<u>18.3</u>	<u>16.7</u>	<u>37.4</u>	<u>81.7</u>	<u>21.4</u>				
Interest and other income (expense), net	(4.0)	0.3	1.1	(1.6)	(4.2)	4.4				
Income before provision for income taxes	5.3	18.6	17.8	35.8	77.5	25.8				
Provision for income taxes	(2.0)	(7.1)	(6.8)	(14.5)	(30.4)	(10.8)				
Effective tax rate	38%	38%	38%	41%	39%	42%				
Net income	<u>3.3</u>	<u>11.5</u>	<u>11.0</u>	<u>21.3</u>	<u>47.1</u>	<u>15.0</u>				
Net income per ordinary share and ADS										
Basic	0.04	0.13	0.12	0.24	0.53	0.17				
Diluted	0.04	0.13	0.12	0.24	0.52	0.16				
Ordinary shares and ADSs used in computing net income per share (000's)										
Basic	88,632	89,095	88,495	88,769	88,748	89,424				
Diluted	92,305	91,061	89,792	90,390	91,077	91,184				
Amortization of intangible assets										
Cost of net license fees	5.2	5.0	5.0	5.1	20.3	5.5				
Cost of services revenues	2.3	2.3	2.3	2.3	9.2	2.3				
General and administrative	0.3	0.3	0.3	0.3	1.2	0.3				
Total	<u>7.8</u>	<u>7.6</u>	<u>7.6</u>	<u>7.7</u>	<u>30.7</u>	<u>8.1</u>				
Stock-based compensation (1)										
Cost of services revenues	0.3	0.3	0.3	0.2	1.1	0.2				
Sales and marketing	0.7	0.7	0.6	0.6	2.6	0.5				
Research and development	0.6	0.4	0.4	0.4	1.8	0.3				
General and administrative	0.5	0.3	0.2	0.2	1.2	0.2				
Total	<u>2.1</u>	<u>1.7</u>	<u>1.5</u>	<u>1.4</u>	<u>6.7</u>	<u>1.2</u>				
Pro forma income from operations (2)										
	19.2	29.1	25.8	47.2	121.3	30.6				
% of total revenues	9%	13%	12%	18%	13%	12%				
Interest and other income (expense), net	(4.0)	0.3	1.1	(1.6)	(4.2)	4.4				
Income before provision for income taxes	15.2	29.4	26.9	45.6	117.1	35.0				
Provision for income taxes	(5.8)	(11.2)	(10.2)	(18.3)	(45.5)	(12.9)				
Effective tax rate	38%	38%	38%	40%	39%	37%				
Pro forma net income	<u>9.4</u>	<u>18.2</u>	<u>16.7</u>	<u>27.3</u>	<u>71.6</u>	<u>22.1</u>				
% of total revenues	4%	8%	8%	10%	8%	9%				
Pro forma net income per ordinary share and ADS										
Basic	0.11	0.20	0.19	0.31	0.81	0.25				
Diluted	0.10	0.20	0.19	0.30	0.79	0.24				

(1) Represents stock-based compensation expense charged to expense as result of assumption of unvested options in Crystal Decisions acquisition.

(2) Pro forma or Non-GAAP measures are reconciled from US GAAP figures. Pro forma or Non-GAAP measures exclude amortization of intangible assets, non-cash stock-based compensation expense, and restructuring costs. Certain information on constant currency to separate out the impact of conversion from other foreign currencies to US dollars from other changes in our business is also presented.