

BUSINESS OBJECTS S.A.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except nominal value per ordinary share)

	<u>June 30, 2005</u> (unaudited)	<u>December 31, 2004</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 365,994	\$ 293,485
Restricted cash	14,052	14,043
Short-term investments	3,846	3,831
Accounts receivable, net	208,637	248,957
Deferred tax assets	3,992	8,328
Prepaid and other current assets	<u>52,902</u>	<u>46,575</u>
Total current assets	649,423	615,219
Goodwill	1,065,335	1,067,694
Other intangible assets, net	100,522	124,599
Property and equipment, net	59,811	64,053
Deposits and other assets	41,473	49,296
Long-term deferred tax assets	<u>2,476</u>	<u>2,067</u>
Total assets	<u>\$ 1,919,040</u>	<u>\$ 1,922,928</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 42,944	\$ 40,939
Accrued payroll and related expenses	66,174	84,918
Income taxes payable	67,896	85,000
Deferred revenues	201,238	194,366
Other current liabilities	55,973	83,544
Escrows payable	<u>6,700</u>	<u>6,654</u>
Total current liabilities	440,925	495,421
Other long-term liabilities	7,021	6,448
Long-term deferred revenues	5,994	6,316
Long-term deferred tax liabilities	<u>5,628</u>	<u>7,599</u>
Total liabilities	459,568	515,784
Shareholders' equity		
Ordinary shares, Euro 0.10 nominal value	10,442	10,312
Additional paid-in capital	1,182,728	1,167,336
Treasury and Business Objects Option LLC shares	(53,335)	(53,335)
Retained earnings	287,865	249,720
Unearned compensation	(5,221)	(8,079)
Accumulated other comprehensive income	<u>36,993</u>	<u>41,190</u>
Total shareholders' equity	<u>1,459,472</u>	<u>1,407,144</u>
Total liabilities and shareholders' equity	<u>\$ 1,919,040</u>	<u>\$ 1,922,928</u>