

**BUSINESS OBJECTS S.A.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)

	<b>Nine Months Ended</b>	
	<b>September 30,</b>	
	2005	2004
	(unaudited)	
<b>Operating activities:</b>		
Net income	\$ 57,712	\$ 25,777
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	24,016	25,224
Amortization of other intangible assets	23,865	23,085
Stock-based compensation expense	3,922	5,309
Acquired in-process research and development	2,384	-
Deferred income taxes	4,030	(17,456)
Tax benefit from employee stock plans	-	2,517
Changes in operating assets and liabilities:		
Accounts receivable, net	40,331	3,549
Prepaid and other current assets	(12,935)	(6,755)
Deposits and other assets	11,379	(16,873)
Accounts payable	1,616	(11,411)
Accrued payroll and related expenses	(15,645)	(21,444)
Income taxes payable	(1,270)	3,925
Deferred revenues	3,237	32,671
Other liabilities	(13,111)	(7,672)
Short-term investments classified as trading	(970)	(290)
Net cash provided by operating activities	<u>128,561</u>	<u>40,156</u>
<b>Investing activities:</b>		
Purchases of property and equipment	(20,692)	(24,161)
Business acquisitions, net of acquired cash	(95,858)	-
Net cash used in investing activities	<u>(116,550)</u>	<u>(24,161)</u>
<b>Financing activities:</b>		
Issuance of shares	30,095	28,191
Purchase of treasury shares	-	(40,231)
Transfer of cash (to) from restricted cash accounts	2	(17,861)
Payments on escrows payable	-	(3,083)
Net cash provided by (used in) financing activities	<u>30,097</u>	<u>(32,984)</u>
Effect of foreign exchange rate changes on cash and cash equivalents	(3,129)	4,225
Net increase (decrease) in cash and cash equivalents	<u>38,979</u>	<u>(12,764)</u>
Cash and cash equivalents, beginning of the period	<u>293,485</u>	<u>235,380</u>
Cash and cash equivalents, end of the period	<u>\$ 332,464</u>	<u>\$ 222,616</u>