



## **Dassault Systèmes Reports New Licenses Revenue Growth of 36% in the Second Quarter in Constant Currencies**

**Paris, France, July 28, 2011** — Dassault Systèmes (Euronext Paris: #13065, DSY.PA) reports IFRS unaudited financial results for the second quarter and first half ended June 30, 2011. These results were reviewed by the Company’s Board of Directors on July 27, 2011.

### **Summary Highlights** (unaudited)

- Software revenue growth up 18% (IFRS) and 16% (non-IFRS) in constant currencies
- Net operating cash flow of €148 million
- Version 6 deployments and signings included Jaguar Land Rover, Cessna, Alstom Transport and Benetton Group
- Introduction of first Dassault Systèmes solution on the Cloud
- Upgrading 2011 Financial Objectives on Q2 Performance

### **Second Quarter 2011 Financial Summary** (unaudited)

In millions of Euros, except per share data	IFRS			Non-IFRS		
		Change	Change in cc*		Change	Change in cc*
Q2 Total Revenue	428.6	11%	17%	428.6	9%	15%
Q2 Software Revenue	388.4	12%	18%	388.4	10%	16%
Q2 EPS	0.52	30%		0.64	10%	
Q2 Operating Margin	21.7%			28.0%		

\*In constant currencies.

Bernard Charlès, Dassault Systèmes President and Chief Executive Officer, commented, *“Dassault Systèmes delivered a very solid second quarter set of results. In particular, new licenses software revenue growth was up 36%, led by ENOVIA with a 49% increase, and a strong dynamic for the Company as a whole in high growth countries. CATIA had an excellent quarter with software revenue up 13% in constant currencies with Version 6 deployments, more active aerospace and automotive markets and a strong performance in the SMB channel.*

*“June was an important period for product launches, including our Version 6 Release 2012 and the introduction of our first Cloud services providing affordable and flexible usage for organizations and projects of any scale. Version 6 Release 2012 with its open architecture offers many improvements to enable companies to achieve efficient and secure inter-operability with*

*their various enterprise systems. Exalead, acquired one year ago, further enables this data interoperability through its ability to find, integrate and analyze data wherever it resides in a simple, quick and cost effective manner thanks to its powerful search capabilities.”*

**Second Quarter 2011 Financial Review**  
(unaudited)

In millions of Euros	IFRS			Non-IFRS		
	Q2 2011	Q2 2010	Change in cc*	Q2 2011	Q2 2010	Change in cc*
Total Revenue	428.6	385.6	17%	428.6	391.9	15%
Software Revenue	388.4	346.4	18%	388.4	352.7	16%
Services and other Revenue	40.2	39.2	8%	40.2	39.2	8%
PLM software Revenue	307.0	268.4	20%	307.0	274.7	17%
Mainstream 3D software Revenue	81.4	78.0	11%	81.4	78.0	11%
Americas	124.4	116.2	21%	124.4	117.2	20%
Europe	188.4	173.7	9%	188.4	175.1	8%
Asia	115.8	95.7	26%	115.8	99.6	21%

\*In constant currencies.

- IFRS and non-IFRS total revenue increased 17% and 15%, respectively, principally reflecting strong software growth and to a lesser extent growth in services and other revenue. By region, growth was highest in Asia followed by the Americas and Europe. (All growth comparisons in constant currencies.)
- IFRS and non-IFRS software revenue grew 18% and 16%, respectively, on sharply higher new licenses revenue, which increased 36%. ENOVIA was the strongest with a 49% increase in new licenses revenue. (All growth comparisons in constant currencies.)
- IFRS and non-IFRS recurring software revenue grew 12% and 9%, respectively, benefiting from strong subscription renewal trends, increase in new licenses activity and higher rental revenue. (All growth comparisons in constant currencies.)
- IFRS PLM software revenue increased 20%. Non-IFRS PLM software revenue increased 17% with CATIA software revenue higher by 13%, ENOVIA by 22% and Other PLM by 22%. Other PLM includes SIMULIA, DELMIA, Exalead and 3DVIA. PLM software revenue growth benefited from a significant increase in new license revenue activity, including larger transaction sizes and strong activity in the PLM Value Solutions channel. (All growth comparisons in constant currencies.)
- Mainstream 3D (IFRS and non-IFRS) software revenue increased 11% in constant currencies on strong new licenses revenue and growth in maintenance revenue. New SolidWorks commercial seats licensed in the second quarter increased 22% to 11,893 seats.

- Earnings growth benefited from operating leverage offset in part by strong currency headwinds. IFRS earnings per diluted share increased 30% to €0.52. Non-IFRS earnings per diluted share increased 10% to €0.64 and excluding currency effects, increased 16%. The IFRS operating margin was 21.7% and the non-IFRS operating margin was 28.0% in the 2011 second quarter.

### 2011 First Half Financial Summary

IBM PLM operations acquired by Dassault Systèmes have been merged into the Company's operations within its PLM business segment since April 1, 2010. As previously disclosed, the IBM PLM share of Dassault Systèmes software revenue was estimated at approximately €50 million for the 2010 first quarter.

In millions of Euros, except per share data	IFRS			Non-IFRS		
		Change	Change in cc*		Change	Change in cc*
YTD 2011 Total Revenue	838.1	20%	22%	838.5	19%	21%
YTD 2011 Software Revenue	760.6	21%	23%	761.0	20%	22%
YTD 2011 EPS	1.03	43%		1.28	27%	
YTD 2011 Operating Margin	22.0%			28.2%		

\*In constant currencies.

In millions of Euros	IFRS			Non-IFRS		
	YTD 2011	YTD 2010	Change in cc*	YTD 2011	YTD 2010	Change in cc*
Total Revenue	838.1	697.5	22%	838.5	703.9	21%
Software Revenue	760.6	626.1	23%	761.0	632.5	22%
Services and other Revenue	77.5	71.4	10%	77.5	71.4	10%
PLM software Revenue	595.1	477.2	26%	595.5	483.6	25%
Mainstream 3D software Revenue	165.5	148.9	14%	165.5	148.9	14%
Americas	237.1	207.9	21%	237.2	209.0	20%
Europe	375.2	314.6	19%	375.2	316.0	19%
Asia	225.8	175.0	28%	226.1	178.9	25%

\*In constant currencies.

- IFRS total revenue increased 22% and non-IFRS total revenue increased 21% primarily driven by software revenue growth of 23% and 22%, respectively, and by services and other revenue growth of 10%. By region, Asia was the fastest growing, followed by the Americas and Europe. (All figures in constant currencies.)
- The Company saw a strong increase in new business activity during the 2011 First Half leading to new licenses revenue growth of 32% in constant currencies.

- The Company continued to see a favorable evolution of recurring revenue with strong renewal rates on maintenance, growth in rental licensing and growth from higher new license activity leading to an increase in recurring software revenue of 20% (IFRS) and 19% (non-IFRS) for the 2011 First Half. (All growth comparisons in constant currencies.)
- The trends in new licenses revenue and recurring software revenue growth (as well as the important contribution of the IBM PLM acquisition to the PLM segment) were reflected in the financial results of the Company's business segments, PLM and Mainstream 3D. IFRS PLM software revenue increased 26%, and non-IFRS PLM software revenue rose 25% with CATIA up 26%, ENOVIA up 25% and Other PLM higher by 21%. Mainstream 3D software revenue increased 14%. New SolidWorks commercial seats licensed during the 2011 First Half increased 22% to 24,021 seats. (All growth figures in constant currencies.)
- Reflecting revenue growth, expense management and operating margin expansion, net income per diluted share increased 43.1% to €1.03 (IFRS) and 26.7% to €1.28 (non-IFRS) per share. IFRS operating income increased 51.4% to €184.0 million and the operating margin improved to 22.0%. On a non-IFRS basis, operating income increased 32.3% to €236.3 million and the non-IFRS operating margin expanded 280 basis points to 28.2%.

### **Cash Flow and Other Financial Highlights**

Net operating cash flow was €147.6 million for the 2011 second quarter, compared to €132.3 million in the year-ago period. IFRS net operating cash flow was €281.3 million for the 2011 First Half, compared to €265.6 million for the 2010 First Half. During the 2011 second quarter, the Company received cash of €98.9 million in connection with stock options exercised, completed share repurchases in the amount of €61.2 million, and paid cash dividends of €65.8 million in total. Stock options exercised were primarily in connection with the 2011 expiration of several major ten-year stock option programs.

The Company's net financial position, comprised of cash, cash equivalents and short-term investments less long-term debt, was €973.1 million at June 30, 2011, compared to a net financial position of €845.7 million at December 31, 2010. The Company's cash, cash equivalents and short-term investments totaled €1.25 billion and long-term debt was €274.8 million, at June 30, 2011 compared to €1.14 billion and €293.4 million, respectively at December 31, 2010.

## **Annual Shareholders' Meeting Approved 17% Increase in Cash Dividend Payment**

At the Annual Shareholders' Meeting held on May 26, 2011, shareholders approved the payment of an annual cash dividend equivalent to €0.54 per share for the fiscal year ended December 31, 2010, representing a 17% increase compared to the prior fiscal year. The cash dividend was paid on June 16, 2011.

## **Additional Summary Business and Corporate Highlights**

**Premier Defense Contractor, Lockheed Martin, Optimizes Assembly, Integration and Test Processes with Dassault Systèmes DELMIA Simulation Solutions.** Dassault Systèmes' DELMIA solutions are being used for product and process simulations at Lockheed Martin Space Systems Company. The DELMIA solutions are also a major software component of the new Lockheed Martin Collaborative Human Immersive Lab (CHIL), an advanced technology virtual reality and simulation laboratory that offers a smarter, reduced cost, and lower risk opportunity in building space systems, including satellites, exploration spacecraft, launch vehicles and missile defense systems.

**Alstom, a world leader in transport infrastructure, power generation and transmission, has selected Dassault Systèmes Version 6 PLM platform to improve end to end business processes.** As a first step in this major transformation, Alstom Transport will leverage Dassault Systèmes' ENOVIA Version 6 to unify its different sites under a unique, worldwide platform enabling its employees to efficiently collaborate on customer projects. Alstom is consolidating its PLM system in order to streamline information sharing, increase its manufacturing capacity and reduce time-to-market.

**Benetton Group has selected Dassault Systèmes Version 6 PLM solution as its platform for global development and sourcing.** Dassault Systèmes' ENOVIA Version 6 will provide Benetton with deep domain-specific apparel design and production capabilities and industry-leading global sourcing management that will enable Benetton to achieve lead time reduction, optimize its sourcing operations, streamline product line complexities and enhance collaboration while accommodating the Benetton Group's diverse product portfolio.

**Embraer SA, the world's fourth-largest plane maker, is deploying a complete 3D solution for the design and manufacturing of its Phenom and Legacy 500 executive jets at its Melbourne, Florida, US and Sao Jose dos Campos, Brazil plants.** Digital Factory is a 3D source for product information aimed at reducing design and manufacturing costs by creating a single set of plans, design models, work and product instructions, all integrated into a secure, collaborative platform.

**Dassault Systèmes Goes Cloud with Version 6.** In June, Dassault Systèmes announced its new online Version 6 platform, its new store, 3DStore online ([swym.3ds.com/#3DStore](http://swym.3ds.com/#3DStore)), for lifelike experiences and applications, and its first online cloud business services. Dassault Systèmes also announced its strategic investment in Outscale, a start-up providing SaaS operator services. With

Version 6 cloud-based solutions, users can get what they need, when they need it. Offered as a flexible subscription model, without upfront investments in additional infrastructure, long-term volume commitments or administrative burden, Version 6 Online solutions are designed to adapt to the needs of organizations or projects of any scale.

**Dassault Systèmes Goes Cloud with Amazon Web Services.** Dassault Systèmes and Amazon Web Services (AWS), an Amazon.com company and leader in elastic cloud infrastructure, are working together to enable companies of all sizes to get started quickly with Dassault Systèmes Version 6 solutions on AWS.

**Dassault Systèmes Launches Version 6 Release 2012 and Introduces New Levels of Openness and Lifelike Experience.** This release demonstrates Dassault Systèmes' focus on delivering an open collaborative platform to its customer base and beyond. Release 2012 introduces new interoperability solutions between Version 6 and other PDM systems, and new levels of integration between Version 6 and ERP solutions. It broadens the value of digital assets into new solutions such as immersive retail store experiences and global production system planning with 3DVIA Shopper and DELMIA Global Production System Planning.

## **Business Outlook**

Thibault de Tersant, Senior Executive Vice President and CFO, commented, *“The second quarter exceeded our expectations on very healthy demand for our software solutions, with the upside coming both from new licenses revenue and recurring revenue. This performance translated into non-IFRS EPS growth of 10%, and would have been 16% without currency headwinds.*

*“We are upgrading our 2011 financial objectives for the full €20 million second quarter revenue over-performance, leading to a 2011 revenue growth outlook of 11 to 12% in constant currencies, and earnings per share growth of about 8 to 12% in spite of currency headwinds.*

*“With respect to second half growth comparisons, let me remind you that our 2010 third quarter revenue was well above our historic seasonal revenue trend. For the 2011 third quarter and second half, our objectives incorporate a sequential revenue outlook range in line with historic patterns. Secondly, with respect to recurring revenue, we had an important level of maintenance recoveries in the 2010 second half, as we outlined last year, which were one-time in nature.*

*“Overall, we are well positioned going into the second half of the year, and despite the uncertainty of the global economic environment, we have increased confidence in our 2011 financial objectives thanks to our second quarter results.”*

The Company's current objectives are as follows:

- Third quarter 2011 non-IFRS total revenue objective of about €405 to €415 million, non-IFRS operating margin of about 27% and non-IFRS EPS of about €0.60 to €0.65;

- Upgrading 2011 non-IFRS revenue growth objective range to 11% to 12% in constant currencies; (increasing the reported revenue range to €1.70 to €1.72 billion from €1.67 to €1.70 billion previously);
- Reconfirming 2011 non-IFRS operating margin slightly in excess of 29%;
- Upgrading 2011 non-IFRS EPS range to €2.69 to €2.80 from €2.64 to €2.75 previously; representing growth of about 8% to 12% from 6% to 10%, previously;
- Objectives are based upon exchange rate assumptions for the 2011 second half of US\$1.45 per €1.00 and JPY120 per €1.00 and a full year average of US\$1.43 per €1.00 and JPY117 per €1.00.

The Company's objectives are prepared and communicated only on a non-IFRS basis and are subject to the cautionary statement set forth below.

The non-IFRS objectives set forth above do not take into account the following accounting elements and are estimated based upon the 2011 currency exchange rates above: deferred revenue write-downs estimated at approximately €1 million for 2011; share-based compensation expense estimated at approximately €15 million for 2011 and amortization of acquired intangibles estimated at approximately €82 million for 2011. The objectives outlined above do not include any impact from other operating income and expense, net principally comprised of acquisition, integration, restructuring and relocation expenses and certain one-time gains in financial revenue and other, net. These estimates do not include any new stock option or share grants, or any new acquisitions or restructurings completed after July 28, 2011.

### **Webcasted Meeting and Conference Call Information**

Today, Thursday, July 28, 2011, Dassault Systèmes will first host a meeting in London, which will be simultaneously webcasted at 9:30 AM London time/10:30 AM CET time and will then host a conference call at 2:00 PM London time/3:00 PM CET/ 9:00 AM New York time. The webcasted meeting and conference call will be available via the Internet by accessing <http://www.3ds.com/company/finance/>. Please go to the website at least fifteen minutes prior to the webcast or conference call to register, download and install any necessary audio software. The webcast and conference call will be archived for 30 days.

Additional investor information can be accessed at <http://www.3ds.com/company/finance/> or by calling Dassault Systèmes' Investor Relations at 33.1.61.62.69.24.

### **Forward-looking Information**

Statements herein that are not historical facts but express expectations or objectives for the future, including but not limited to statements regarding the Company's non-IFRS financial performance objectives, are forward-looking statements.

Such forward-looking statements are based on Dassault Systèmes management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results or performances may differ materially from those in such statements due to a range of factors. The Company's current outlook for 2011 assumes, among other things, that there will be a slow economic recovery, but if global economic and business conditions improve more slowly than anticipated, or remain stable or further deteriorate, the Company's business results may not develop as currently anticipated and may remain below their earlier levels for an extended period of time. In this regard, the impact of the earthquake of March 11, 2011, in Japan remains difficult to evaluate, but may be expected to have a negative impact on the Japanese economic recovery. Furthermore, due to factors affecting sales of the Company's products and services, there may be a substantial time lag between an improvement in global economic and business conditions and an upswing in the Company's business results.

In preparing such forward-looking statements, the Company has in particular assumed an average U.S. dollar to euro exchange rate of US\$1.43 per €1.00 and an average Japanese yen to euro exchange rate of JPY117 to €1.00 for 2011; however, currency values fluctuate, and the Company's results of operations may be significantly affected by changes in exchange rates. The Company's actual results or performance may also be materially negatively affected by changes in the current global economic context, difficulties or adverse changes affecting its partners or its relationships with its partners, changes in exchange rates, new product developments, and technological changes; errors or defects in its products; growth in market share by its competitors; and the realization of any risks related to the integration of any newly acquired company and internal reorganizations. Unfavorable changes in any of the above or other factors described in the Company's regulatory reports, including the 2010 *Document de référence*, as filed with the French *Autorité des marchés financiers* (AMF) on April 1, 2011, could materially affect the Company's financial position or results of operations.

### **Non-IFRS Financial Information**

Readers are cautioned that the supplemental non-IFRS information presented in this press release is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Company's supplemental non-IFRS financial information may not be comparable to similarly titled non-IFRS measures used by other companies. Further specific limitations for individual non-IFRS measures, and the reasons for presenting non-IFRS financial information, are set forth in the Company's annual report for the year ended December 31, 2010 included in the Company's 2010 *Document de référence* filed with the AMF on April 1, 2011.

In the tables accompanying this press release the Company sets forth its supplemental non-IFRS figures for revenue, operating income, operating margin, net income and diluted earnings per share, which exclude the effect of adjusting the carrying value of acquired companies' deferred revenue, stock-based compensation expense, the expenses for the amortization of acquired intangible assets, other income and expense, net, certain one-time gains included in financial revenue and other, net, and the income tax effect of the non-IFRS adjustments. The tables also set forth the most comparable IFRS financial measure and reconciliations of this information with non-IFRS information.

## **Information in Constant Currencies**

When the Company believes it would be helpful for understanding trends in its business, the Company provides percentage increases or decreases in its revenue (in both IFRS as well as non-IFRS) to eliminate the effect of changes in currency values, particularly the U.S. dollar and the Japanese yen, relative to the euro. When trend information is expressed herein "in constant currencies", the results of the "current" period have first been recalculated using the average exchange rates of the comparable period in the preceding year, and then compared with the results of the comparable period in the preceding year.

## **About Dassault Systèmes**

As a world leader in 3D and Product Lifecycle Management (PLM) solutions, Dassault Systèmes brings value to more than 130,000 customers in 80 countries. A pioneer in the 3D software market since 1981, Dassault Systèmes applications provide a 3D vision of the entire lifecycle of products from conception to maintenance to recycling. The Dassault Systèmes portfolio consists of CATIA for designing the virtual product - SolidWorks for 3D mechanical design - DELMIA for virtual production - SIMULIA for virtual testing - ENOVIA for global collaborative lifecycle management, EXALEAD for search-based applications and 3DVIA for online 3D lifelike experiences. For more information, visit <http://www.3ds.com>.

*CATIA, DELMIA, ENOVIA, EXALEAD, SIMULIA, SolidWorks and 3D VIA are registered trademarks of Dassault Systèmes or its subsidiaries in the US and/or other countries.*

*(Tables to follow)*

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**NON-IFRS KEY FIGURES**

(unaudited; in millions of Euros, except per share data, headcount and exchange rates)

Non-IFRS key figures exclude the effects of adjusting the carrying value of acquired companies' deferred revenue, stock-based compensation expense, amortization of acquired intangible assets, other operating income and expense, net and certain one-time financial revenue gains and the income tax effects of these non-IFRS adjustments.

Comparable IFRS financial information and a reconciliation of the IFRS and non-IFRS measures are set forth in the separate tables within this Attachment.

	Three months ended				Six months ended			
	June 30, 2011	June 30, 2010	Change	Change in cc*	June 30, 2011	June 30, 2010	Change	Change in cc*
<b>Non-IFRS Revenue</b>	<b>€ 428.6</b>	<b>€ 391.9</b>	<b>9%</b>	<b>15%</b>	<b>€ 838.5</b>	<b>€ 703.9</b>	<b>19%</b>	<b>21%</b>
<b>Non-IFRS Revenue breakdown by activity</b>								
Software revenue	388.4	352.7	10%	16%	761.0	632.5	20%	22%
<i>of which new licenses revenue</i>	110.4	85.4	29%	36%	209.4	161.5	30%	32%
<i>of which periodic licenses, maintenance and product development revenue</i>	278.0	267.3	4%	9%	551.6	471.0	17%	19%
Services and other revenue	40.2	39.2	3%	8%	77.5	71.4	9%	10%
<b>Recurring software revenue</b>	<b>277.2</b>	<b>267.0</b>	<b>4%</b>	<b>9%</b>	<b>550.5</b>	<b>470.7</b>	<b>17%</b>	<b>19%</b>
<b>Non-IFRS software revenue breakdown by product line</b>								
PLM software revenue	307.0	274.7	12%	17%	595.5	483.6	23%	25%
<i>of which CATIA software revenue</i>	183.1	168.1	9%	13%	360.1	288.8	25%	26%
<i>of which ENOVIA software revenue</i>	55.9	48.5	15%	22%	103.9	84.7	23%	25%
Mainstream 3D software revenue	81.4	78.0	4%	11%	165.5	148.9	11%	14%
<b>Non-IFRS Revenue breakdown by geography</b>								
Americas	124.4	117.2	6%	20%	237.2	209.0	13%	20%
Europe	188.4	175.1	8%	8%	375.2	316.0	19%	19%
Asia	115.8	99.6	16%	21%	226.1	178.9	26%	25%
<b>Non-IFRS operating income</b>	<b>€ 120.2</b>	<b>€ 109.5</b>	<b>10%</b>		<b>€ 236.3</b>	<b>€ 178.6</b>	<b>32%</b>	
<b>Non-IFRS operating margin</b>	<b>28.0%</b>	<b>27.9%</b>			<b>28.2%</b>	<b>25.4%</b>		
<b>Non-IFRS net income</b>	<b>79.7</b>	<b>70.2</b>	<b>14%</b>		<b>158.4</b>	<b>121.5</b>	<b>30%</b>	
<b>Non-IFRS diluted net income per share</b>	<b>€ 0.64</b>	<b>€ 0.58</b>	<b>10%</b>		<b>€ 1.28</b>	<b>€ 1.01</b>	<b>27%</b>	
<b>Closing headcount</b>	<b>9,286</b>	<b>8,789</b>	<b>6%</b>		<b>9,286</b>	<b>8,789</b>	<b>6%</b>	
Average Rate USD per Euro	1.44	1.27	13%		1.40	1.33	6%	
Average Rate JPY per Euro	117.4	117.2	0%		115.0	121.3	(5%)	

\*In constant currencies

**DASSAULT SYSTEMES**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME (IFRS)**  
(unaudited; in millions of Euros, except per share data)

	Three months ended		Six months ended	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
New licenses revenue	110.4	85.4	209.4	161.5
Periodic licenses, maintenance and product development revenue	278.0	261.0	551.2	464.6
Software revenue	388.4	346.4	760.6	626.1
Services and other revenue	40.2	39.2	77.5	71.4
<b>Total Revenue</b>	<b>€ 428.6</b>	<b>€ 385.6</b>	<b>€ 838.1</b>	<b>€ 697.5</b>
Cost of software revenue (excluding amortization of acquired intangibles)	(18.8)	(19.4)	(37.8)	(35.8)
Cost of services and other revenue	(46.6)	(35.8)	(85.9)	(70.1)
Research and development	(83.1)	(83.2)	(160.0)	(160.6)
Marketing and sales	(128.0)	(121.5)	(259.5)	(213.6)
General and administrative	(35.9)	(29.4)	(66.8)	(56.9)
Amortization of acquired intangibles	(20.5)	(17.7)	(41.8)	(27.4)
Other operating income and expense, net	(2.5)	(6.6)	(2.3)	(11.6)
Total Operating Expenses	(€ 335.4)	(€ 313.6)	(€ 654.1)	(€ 576.0)
<b>Operating Income</b>	<b>€ 93.2</b>	<b>€ 72.0</b>	<b>€ 184.0</b>	<b>€ 121.5</b>
Financial revenue and other, net	1.1	(3.3)	4.4	2.4
Income before income taxes	94.3	68.7	188.4	123.9
Income tax expense	(30.0)	(20.0)	(60.2)	(37.4)
<b>Net Income</b>	<b>64.3</b>	<b>48.7</b>	<b>128.2</b>	<b>86.5</b>
Minority interest	0.0	(0.1)	(0.1)	(0.1)
<b>Net Income attributable to equity holders of the parent</b>	<b>€ 64.3</b>	<b>€ 48.6</b>	<b>€ 128.1</b>	<b>€ 86.4</b>
Basic net income per share	0.53	0.41	1.06	0.73
<b>Diluted net income per share</b>	<b>€ 0.52</b>	<b>€ 0.40</b>	<b>€ 1.03</b>	<b>€ 0.72</b>
Basic weighted average shares outstanding (in millions)	121.6	118.6	121.3	118.4
Diluted weighted average shares outstanding (in millions)	124.2	120.7	124.0	120.2

	Three months ended June 30, 2011		Six months ended June 30, 2011	
	Change*	Change in cc**	Change*	Change in cc**
<b>IFRS Revenue</b>	11%	17%	20%	22%
<b>IFRS Revenue by activity</b>				
Software Revenue	12%	18%	21%	23%
Services and other Revenue	3%	8%	9%	10%
<b>IFRS Software Revenue by product line</b>				
PLM software revenue	14%	20%	25%	26%
<i>of which CATIA software revenue</i>	13%	17%	27%	28%
<i>of which ENOVIA software revenue</i>	17%	25%	24%	27%
Mainstream 3D software revenue	4%	11%	11%	14%
<b>IFRS Revenue by geography</b>				
Americas	7%	21%	14%	21%
Europe	8%	9%	19%	19%
Asia	21%	26%	29%	28%

\* Variation compared to the same period in the prior year. \*\* In constant currencies.

**DASSAULT SYSTEMES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS (IFRS)**  
(unaudited; in millions of Euros)

	<b>June 30, 2011</b>	<b>December 31, 2010</b>
<b>ASSETS</b>		
Cash and cash equivalents	966.2	976.5
Short-term investments	281.7	162.6
Accounts receivable, net	362.5	413.5
Other current assets	128.8	120.6
<b>Total current assets</b>	<b>1,739.2</b>	<b>1,673.2</b>
Property and equipment, net	69.9	66.4
Goodwill and Intangible assets, net	1,179.2	1,233.3
Other non current assets	99.1	98.9
<b>Total Assets</b>	<b>€ 3,087.4</b>	<b>€ 3,071.8</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Accounts payable	87.1	93.1
Unearned revenues	460.1	387.0
Other current liabilities	280.9	295.0
<b>Total current liabilities</b>	<b>828.1</b>	<b>775.1</b>
Long-term debt	274.8	293.4
Other non current obligations	200.4	211.5
<b>Total long-term liabilities</b>	<b>475.2</b>	<b>504.9</b>
Minority interests	0.9	1.0
Parent shareholders' equity	1,783.2	1,790.8
<b>Total Liabilities and Shareholders' equity</b>	<b>€ 3,087.4</b>	<b>€ 3,071.8</b>

**DASSAULT SYSTEMES**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (IFRS)**  
(unaudited; in millions of Euros)

	Three months ended			Six months ended		
	June 30, 2011	June 30, 2010	Change	June 30, 2011	June 30, 2010	Change
Net Income attributable to equity holders of the parent	64.3	48.6	15.7	128.1	86.4	41.7
Minority interest	<u>0.0</u>	<u>0.1</u>	<u>(0.1)</u>	<u>0.1</u>	<u>0.1</u>	<u>0.0</u>
Net Income	64.3	48.7	15.6	128.2	86.5	41.7
Depreciation of property & equipment	6.0	6.1	(0.1)	12.2	11.4	0.8
Amortization of intangible assets	21.5	18.7	2.8	43.6	29.4	14.2
Other non cash P&L Items	0.0	(2.5)	2.5	0.5	1.9	(1.4)
Changes in working capital	55.8	61.3	(5.5)	96.8	136.4	(39.6)
<b>Net Cash provided by operating activities</b>	<b>147.6</b>	<b>132.3</b>	<b>15.3</b>	<b>281.3</b>	<b>265.6</b>	<b>15.7</b>
Addition to property, equipment and intangibles	(13.1)	(11.5)	(1.6)	(22.3)	(20.1)	(2.2)
Payments for acquisition of businesses, net of cash acquired	0.0	(143.6)	143.6	(29.5)	(464.8)	435.3
Sale of fixed assets	0.0	0.5	(0.5)	0.1	0.7	(0.6)
Sale (purchase) of short term investments, net	41.3	23.1	18.2	(121.6)	42.3	(163.9)
Loans and others	0.6	0.1	0.5	(2.6)	0.1	(2.7)
<b>Net Cash provided by (used in) investing activities</b>	<b>28.8</b>	<b>(131.4)</b>	<b>160.2</b>	<b>(175.9)</b>	<b>(441.8)</b>	<b>265.9</b>
Proceeds (Repayments) of short-term and long-term debt	(12.8)	115.0	(127.8)	(12.8)	115.0	(127.8)
Share repurchase	(61.2)	0.0	(61.2)	(172.3)	(1.5)	(170.8)
Exercise of DS stock option	98.9	22.6	76.3	179.0	24.8	154.2
Cash dividend paid	(65.8)	(54.5)	(11.3)	(65.8)	(54.5)	(11.3)
<b>Net Cash provided by (used in) financing activities</b>	<b>(40.9)</b>	<b>83.1</b>	<b>(124.0)</b>	<b>(71.9)</b>	<b>83.8</b>	<b>(155.7)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(6.1)</b>	<b>52.4</b>	<b>(58.5)</b>	<b>(43.8)</b>	<b>92.6</b>	<b>(136.4)</b>
<b>Increase in cash and cash equivalents</b>	<b>129.4</b>	<b>136.4</b>	<b>(7.0)</b>	<b>(10.3)</b>	<b>0.2</b>	<b>(10.5)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>836.8</b>	<b>802.9</b>		<b>976.5</b>	<b>939.1</b>	
<b>Cash and cash equivalents at end of period</b>	<b>966.2</b>	<b>939.3</b>		<b>966.2</b>	<b>939.3</b>	

**DASSAULT SYSTEMES**  
**SUPPLEMENTAL NON-IFRS FINANCIAL INFORMATION**  
**IFRS – NON-IFRS RECONCILIATION**

(unaudited; in millions of Euros, except per share data)

Readers are cautioned that the supplemental non-IFRS information presented in this press release is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Company's supplemental non-IFRS financial information may not be comparable to similarly titled non-IFRS measures used by other companies. Further specific limitations for individual non-IFRS measures, and the reasons for presenting non-IFRS financial information, are set forth in the Company's *Document de référence* for the year ended December 31, 2010 filed with the AMF on April 1, 2011. To compensate for these limitations, the supplemental non-IFRS financial information should be read not in isolation, but only in conjunction with the Company's consolidated financial statements prepared in accordance with IFRS.

In millions of Euros, except per share data and percentages	Three months ended June 30,						Change	
	2011 IFRS	Adjustment (1)	2011 non-IFRS	2010 IFRS	Adjustment (1)	2010 non-IFRS	IFRS	Non-IFRS (2)
<b>Total Revenue</b>	<b>€ 428.6</b>			<b>€ 385.6</b>	<b>6.3</b>	<b>€ 391.9</b>	<b>11%</b>	<b>9%</b>
<b>Total Revenue breakdown by activity</b>								
Software revenue	388.4			346.4	6.3	352.7	12%	10%
<i>New Licenses</i>	110.4			85.4			29%	
<i>Product Development</i>	0.8			0.3				
<i>Periodic Licenses and Maintenance</i>	277.2			260.7	6.3	267.0	6%	4%
<i>Recurring portion of Software revenue</i>	71%			75%		76%		
Services and other revenue	40.2			39.2			3%	
<b>Total Software Revenue breakdown by product line</b>								
PLM software revenue	307.0			268.4	6.3	274.7	14%	12%
<i>of which CATIA software revenue</i>	183.1			162.7	5.4	168.1	13%	9%
<i>of which ENOVIA software revenue</i>	55.9			47.6	0.9	48.5	17%	15%
Mainstream 3D software revenue	81.4			78.0			4%	
<b>Total Revenue breakdown by geography</b>								
Americas	124.4			116.2	1.0	117.2	7%	6%
Europe	188.4			173.7	1.4	175.1	8%	8%
Asia	115.8			95.7	3.9	99.6	21%	16%
<b>Total Operating Expenses</b>	<b>(€ 335.4)</b>	<b>27.0</b>	<b>(€ 308.4)</b>	<b>(€ 313.6)</b>	<b>31.2</b>	<b>(€ 282.4)</b>	<b>7%</b>	<b>9%</b>
Stock-based compensation expense	(4.0)	4.0	-	(6.9)	6.9	-	-	-
Amortization of acquired intangibles	(20.5)	20.5	-	(17.7)	17.7	-	-	-
Other operating income and expense, net	(2.5)	2.5	-	(6.6)	6.6	-	-	-
<b>Operating Income</b>	<b>€ 93.2</b>	<b>27.0</b>	<b>€ 120.2</b>	<b>€ 72.0</b>	<b>37.5</b>	<b>€ 109.5</b>	<b>29%</b>	<b>10%</b>
<b>Operating Margin</b>	<b>21.7%</b>		<b>28.0%</b>	<b>18.7%</b>		<b>27.9%</b>		
Financial revenue & other, net	1.1	(1.7)	(0.6)	(3.3)	0.0	(3.3)	(133%)	(82%)
Income tax expense	(30.0)	(9.9)	(39.9)	(20.0)	(15.9)	(35.9)	50%	11%
<b>Net Income attributable to shareholders</b>	<b>€ 64.3</b>	<b>15.4</b>	<b>€ 79.7</b>	<b>€ 48.6</b>	<b>21.6</b>	<b>€ 70.2</b>	<b>32%</b>	<b>14%</b>
<b>Diluted Net Income Per Share (3)</b>	<b>€ 0.52</b>	<b>0.12</b>	<b>€ 0.64</b>	<b>€ 0.40</b>	<b>0.18</b>	<b>€ 0.58</b>	<b>30%</b>	<b>10%</b>

(1) In the reconciliation schedule above, (i) all adjustments to IFRS revenue data reflect the exclusion of the deferred revenue adjustment of acquired companies; (ii) adjustments to IFRS operating expenses data reflect the exclusion of the amortization of acquired intangibles, share-based compensation expense, and other operating income and expense, (iii) adjustments to IFRS financial revenue and other, net reflect the exclusion of certain one-time gains included in financial revenue and other, net in 2011, and (iv) all adjustments to IFRS income data reflect the combined effect of these adjustments, plus with respect to net income and diluted net income per share, the income tax effect of the non-IFRS adjustments.

In millions of Euros	Three months ended June 30,					
	2011 IFRS	Adjustment	2011 non-IFRS	2010 IFRS	Adjustment	2010 non-IFRS
Cost of revenue	(65.4)	0.2	(65.2)	(55.2)	0.2	(55.0)
Research and development	(83.1)	1.9	(81.2)	(83.2)	4.0	(79.2)
Marketing and sales	(128.0)	1.0	(127.0)	(121.5)	1.5	(120.0)
General and administrative	(35.9)	0.9	(35.0)	(29.4)	1.2	(28.2)
<b>Total stock-based compensation expense</b>		<b>4.0</b>			<b>6.9</b>	

(2) The non-IFRS percentage increase (decrease) compares non-IFRS measures for the two different periods. In the event there is non-IFRS adjustment to the relevant measure for only one of the periods under comparison, the non-IFRS increase (decrease) compares the non-IFRS measure to the relevant IFRS measure.

(3) Based on a weighted average 124.2 million diluted shares for Q2 2011 and 120.7 million diluted shares for Q2 2010.

**DASSAULT SYSTEMES**  
**SUPPLEMENTAL NON-IFRS FINANCIAL INFORMATION**  
**IFRS – NON-IFRS RECONCILIATION**

(unaudited; in millions of Euros, except per share data)

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In millions of Euros, except per share data and percentages	Six months ended June 30,						Change	
	2011 IFRS	Adjustment (1)	2011 non-IFRS	2010 IFRS	Adjustment (1)	2010 non-IFRS	IFRS	Non-IFRS (2)
<b>Total Revenue</b>	€ 838.1	0.4	€ 838.5	€ 697.5	6.4	€ 703.9	20%	19%
<b>Total Revenue breakdown by activity</b>								
Software revenue	760.6	0.4	761.0	626.1	6.4	632.5	21%	20%
<i>New Licenses</i>	209.4			161.5			30%	
<i>Product Development</i>	1.1			0.3				
<i>Periodic Licenses and Maintenance</i>	550.1	0.4	550.5	464.3	6.4	470.7	18%	17%
<i>Recurring portion of Software revenue</i>	72%		72%	74%		74%		
Services and other revenue	77.5			71.4			9%	
<b>Total Software Revenue breakdown by product line</b>								
PLM software revenue	595.1	0.4	595.5	477.2	6.4	483.6	25%	23%
<i>of which CATIA software revenue</i>	359.7	0.4	360.1	283.4	5.4	288.8	27%	25%
<i>of which ENOVIA software revenue</i>	103.9			83.8	0.9	84.7	24%	23%
Mainstream 3D software revenue	165.5			148.9			11%	
<b>Total Revenue breakdown by geography</b>								
Americas	237.1	0.1	237.2	207.9	1.1	209.0	14%	13%
Europe	375.2	0.0	375.2	314.6	1.4	316.0	19%	19%
Asia	225.8	0.3	226.1	175.0	3.9	178.9	29%	26%
<b>Total Operating Expenses</b>	(€ 654.1)	51.9	(€ 602.2)	(€ 576.0)	50.7	(€ 525.3)	14%	15%
Stock-based compensation expense	(7.8)	7.8	-	(11.7)	11.7	-	-	-
Amortization of acquired intangibles	(41.8)	41.8	-	(27.4)	27.4	-	-	-
Other operating income and expense, net	(2.3)	2.3	-	(11.6)	11.6	-	-	-
<b>Operating Income</b>	€ 184.0	52.3	€ 236.3	€ 121.5	57.1	€ 178.6	51%	32%
<b>Operating Margin</b>	22.0%		28.2%	17.4%		25.4%		
Financial revenue & other, net	4.4	(5.0)	(0.6)	2.4	0.0	2.4	83%	(125%)
Income tax expense	(60.2)	(17.0)	(77.2)	(37.4)	(22.0)	(59.4)	61%	30%
<b>Net Income attributable to shareholders</b>	€ 128.1	30.3	€ 158.4	€ 86.4	35.1	€ 121.5	48%	30%
<b>Diluted Net Income Per Share (3)</b>	€ 1.03	0.25	€ 1.28	€ 0.72	0.29	€ 1.01	43%	27%

(1) In the reconciliation schedule above, (i) all adjustments to IFRS revenue data reflect the exclusion of the deferred revenue adjustment of acquired companies; (ii) adjustments to IFRS operating expenses data reflect the exclusion of the amortization of acquired intangibles, share-based compensation expense, and other operating income and expense, (iii) adjustments to IFRS financial revenue and other, net reflect the exclusion of certain one-time gains included in financial revenue and other, net in 2011, and (iv) all adjustments to IFRS income data reflect the combined effect of these adjustments, plus with respect to net income and diluted net income per share, the income tax effect of the non-IFRS adjustments.

In millions of Euros	Six months ended June 30,					
	2011 IFRS	Adjustment	2011 non-IFRS	2010 IFRS	Adjustment	2010 non-IFRS
Cost of revenue	(123.7)	0.3	(123.4)	(105.9)	0.4	(105.5)
Research and development	(160.0)	3.7	(156.3)	(160.6)	6.8	(153.8)
Marketing and sales	(259.5)	2.0	(257.5)	(213.6)	2.4	(211.2)
General and administrative	(66.8)	1.8	(65.0)	(56.9)	2.1	(54.8)
<b>Total stock-based compensation expense</b>		<b>7.8</b>			<b>11.7</b>	

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(3) Based on a weighted average 124.0 million diluted shares for YTD 2011 and 120.2 million diluted shares for YTD 2010.