

# Dassault Systèmes

Analyst Meeting Q209

**Bernard Charles, President and CEO**  
**Thibault de Tersant, Senior EVP and CFO**

# Forward Looking Information

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*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 DS 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. In preparing such forward-looking statements, the Company has in particular assumed an average U.S. dollar to euro exchange rate of US\$1.42 per €1.00 and an average Japanese yen to euro exchange rate of JPY134 to €1.00 for the 2009 full year; however, currency values fluctuate, and the Company's results of operations may be significantly affected by changes in exchange rates. The Company has tried to factor in the potential impact of the current global economic crisis on its 2009 third quarter and full year objectives, but conditions could worsen. Further the Company has assumed that its increased responsibility for both indirect and direct PLM sales channels, and the resulting commercial and management challenges, will not cause it to incur substantial unanticipated costs and inefficiencies. The Company's actual results or performance may also be materially negatively affected by the current global economic crisis, difficulties or adverse changes affecting its partners or its relationships with its partners, including the Company's longstanding, strategic partner, IBM; 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 Document de référence, as filed with the French "Autorité des marchés financiers" (AMF) on April 2, 2009, could materially affect the Company's financial position or results of operations.*

## Non-IFRS Financial Information & Information in Constant Currencies

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*Readers are cautioned that the supplemental non-IFRS (previously referred to as “adjusted 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, 2008 in the Company’s 2008 Document de référence filed with the AMF on April 2, 2009.*

*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, the expenses for the amortization of acquired intangible assets and stock-based compensation expense (in each case, as explained respectively in the Company’s 2008 Document de référence. The tables also set forth the most comparable IFRS financial measure and reconciliations of this information with non-IFRS information.*

*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.*

# Agenda

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1. **Q209 Business Highlights**
2. **Q209 Financial Highlights**
3. **Q309 & 2009 Objectives**
4. **Financial Information Appendix**

# Q209 Business Highlights

Non-IFRS\*

	Q209	YTD09
<b>Revenue (€m)</b>	<b>311.2</b>	<b>621.9</b>
<b>Growth</b>	<b>-5%</b>	<b>-2%</b>
<b>Growth ex FX</b>	<b>-11%</b>	<b>-9%</b>
<b>Software Revenue growth ex FX</b>	<b>-9%</b>	<b>-7%</b>
<b>Operating Margin</b>	<b>21.9%</b>	<b>20.7%</b>
<b>EPS</b>	<b>0.37</b>	<b>0.74</b>
<b>EPS Growth</b>	<b>-20%</b>	<b>-15%</b>

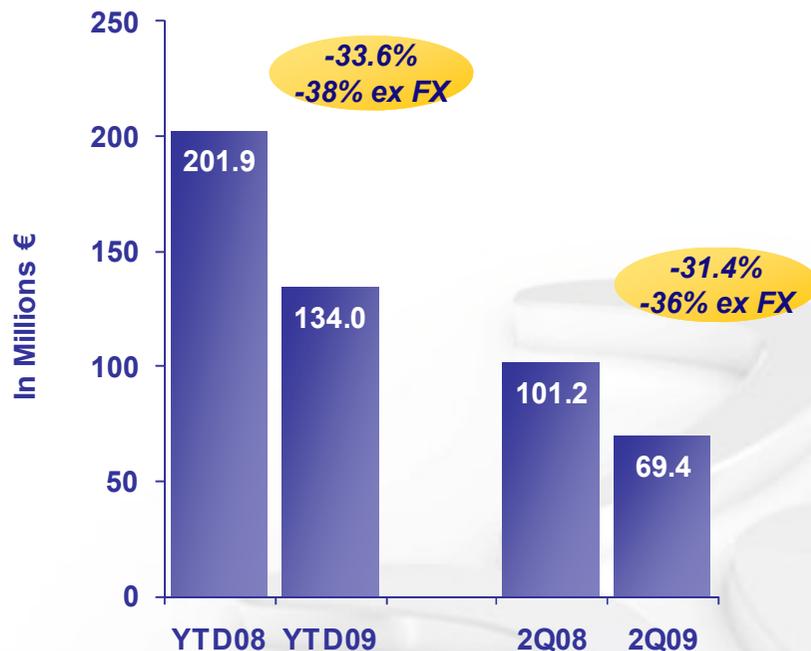
- **Revenue, margin and EPS at the high-end of objectives**
- **Business environment remains globally unchanged compared to Q109**

•For a reconciliation to IFRS financial information, please refer to the tables in the Appendix

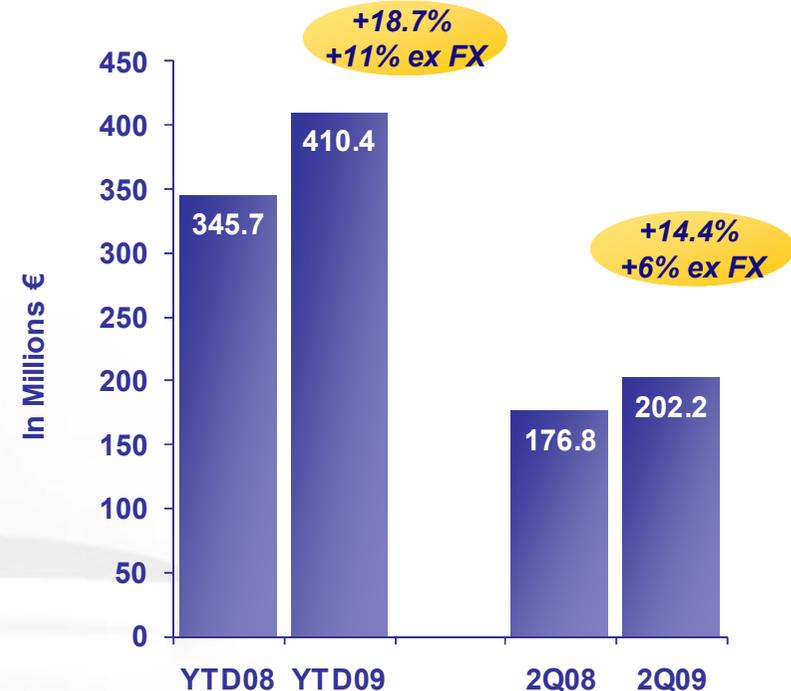
# Q209 Business Highlights

Non-IFRS\*

## New licenses Revenue



## Periodic Licenses, Maintenance and Product Development Revenue



- **New business** still down substantially year on year: **large accounts** moving ahead with significant contracts & **mid-market** still tough
- As anticipated, slower growth of **recurring revenue** with renewal rates in line with expectations

\* In accordance to IFRS, New licenses revenue was €101.2 in 2Q08 and €69.4m in 2Q09. In accordance with IFRS, Periodic licenses, Maintenance and Product development revenue was €176.8m in 2Q08 and €201.9m in 2Q09.

# Q209 Business Highlights

Non-IFRS\*

## Revenue growth ex FX by region

	Q209	YTD09
<i>Americas</i>	-12%	-11%
<i>Europe</i>	-8%	-4%
<i>Asia</i>	-18%	-15%
<i>Total</i>	-11%	-9%

- No further deterioration of business environment **across geographies**
  - Americas: new business in a **diversified set of industries** (aerospace, life sciences, consumer goods)
  - Europe: traction from **large accounts** particularly in automotive and aerospace - **mid-market** still very much impacted by the economic environment
  - Asia: **Japan** weighing heavily on Asia performance

\*For a reconciliation to IFRS financial information, please refer to the tables in the Appendix

•Note: Ex FX data for Europe assumes that all the revenue in Europe is recognized in € and in GDP

# Q209 Business Highlights

Non-IFRS\*

## Software revenue growth ex FX by product line

	Q209	YTD09
<i>PLM</i>	-9%	-8%
<i>CATIA</i>	-13%	-12%
<i>ENOVIA</i>	-15%	-16%
<i>Mainstream 3D</i>	-10%	-6%
<i>Total</i>	<b>-11%</b>	<b>-9%</b>

- **CATIA**: activity with **large accounts** slightly better than in Q1 while new business still **weak** in mid-market
- **ENOVIA**: activity slightly better than in Q1 but still impacted by customer hesitation in decision-making on new infrastructure
- Continued double-digit **SIMULIA** growth
- **Mainstream 3D**: global economic recession continuing to impact new business – maintaining price point

\*For a reconciliation to IFRS financial information, please refer to the tables in the Appendix

# Q209 Business Highlights

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- **Developing new markets for growth:**
  - in core industries
  - in new industries
- **Cutting costs and improving efficiency**
- **Advancing on next generation of PLM**

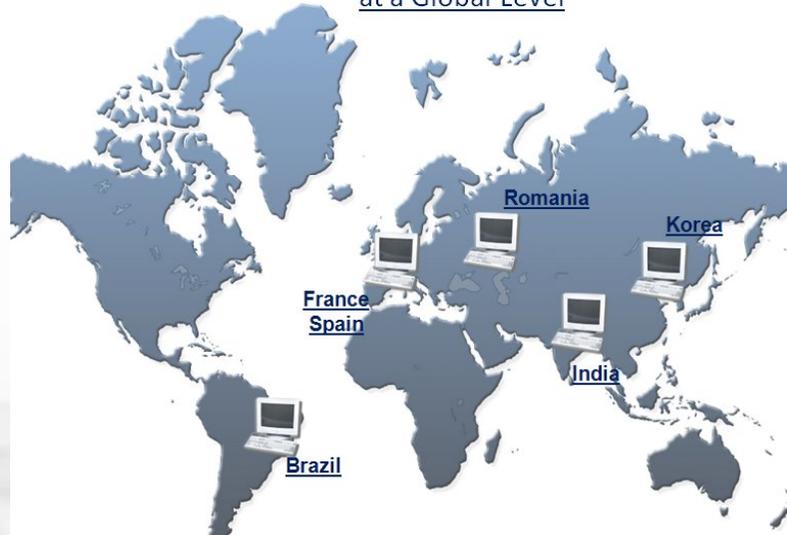
# Renault Selecting Full V6

## *Developing New Markets in Core Industries*

- **Global engineering teams** located close to the markets where Renault wants to develop
- **Strategic partners** with Nissan in Japan, Avtovaz in Russia



Designing & Developing Vehicles  
at a Global Level



- **Adapt tools and processes to this global organization**  
→ Implementing a **single unified reference** for product data available **for everyone, everywhere, in real time**

# Renault Selecting Full V6

*Developing New Markets in Core Industries*



- **Selecting DS V6 PLM as global online collaboration platform**
  - **Standardizing**
  - Replacing **several** legacy PDM systems by **one collaborative PLM solution**
- **Reaching 4x more users, in new domains (collaboration)** ----->
- **Drivers to select V6 after 1 year of testing**
  - **Scalability** to target more users
  - **Openness** to work with partners
  - **Business process accelerators** (ready-to-use)
  - **Easy-to-use** intuitive V6 interface to improve productivity of all users
  - **Partnership**



# New Industries Choosing ENOVIA for Business Transformation

*Developing New Markets – Diversifying in New Industries*



- **~35%** of H1 2009 top100\* **ENOVIA** transactions in new industries\*\*
- **Continuing to cement DS leadership position in Apparel**
  - Beating DS main competitor in apparel in **11** of the last **13** competitive deals
- **Winning new accounts in Life Sciences**
  - Winning with **ENOVIA for compliance** to meet increasingly stringent federal regulations
  - Partnering with **Integware** to increase DS footprint in life sciences in the US

\*~ 80% of H109 ENOVIA PLC revenue

\*\* new industries = High Tech, Life Sciences, Consumer Goods, Consumer Packaged Goods, Energy, Construction, Shipbuilding, Services → All industries outside auto, aero, industrial equipment

# Boston Apparel Group Selecting ENOVIA V6

*Developing New Markets – Diversifying in Apparel*



- **Context:**

- Apparel company headquartered in the US
- 2008 revenue: \$300m
- ~600 employees

- **Main Achievement:**

- Selecting **ENOVIA V6** for Design & Development and Sourcing & Production



# Eldo (Apparel) Selecting ENOVIA V6

*Developing New Markets – Diversifying in Apparel*

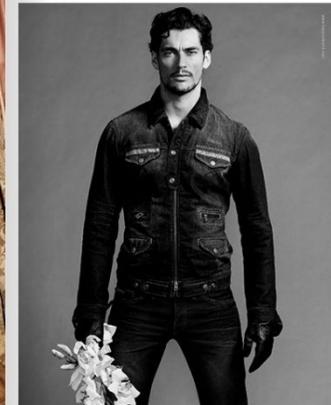


- **Context:**

- Apparel company headquartered in Italy
- Operating company for FreeSoul, a top-10 European denim fashion label

- **Main Achievement:**

- Selecting **ENOVIA V6** for Design & Development



FREE SOUL

# Monoprix (Retail) Selecting ENOVIA

*Developing New Markets – Diversifying in Apparel*



## ● Context:

- One of the major retailers in France
- Revenue: ~€ 4bn
- More than 300 stores

## ● Main Achievement:

- Selected **ENOVIA** to react quickly to fashion trends and improve collaboration with suppliers



# Zimmer (Life Sciences) Selecting ENOVIA V6

*Developing New Markets – Diversifying in Life Sciences*



## ● Context:

- Medical devices company - orthopaedic devices, dental implants and related surgical products
- Headquartered in US
- 2008 revenue: \$4.1bn  
8,500 employees

## ● Main Achievement:

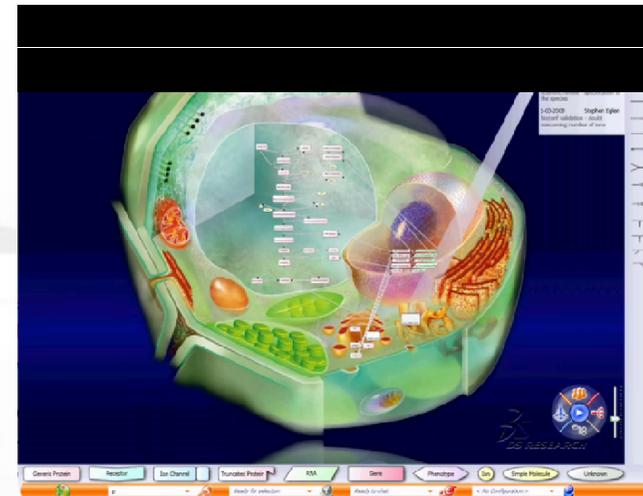
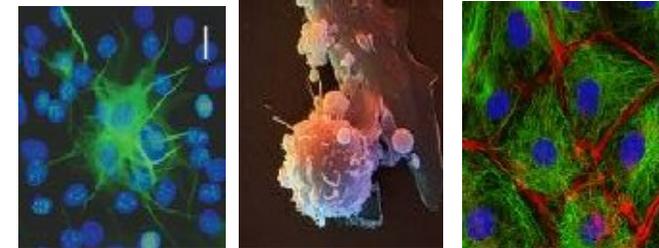
- Selecting **ENOVIA V6 Life Science Accelerators**



# DS Leading Bio Intelligence Project

*Developing New Markets – Diversifying in Life Sciences*

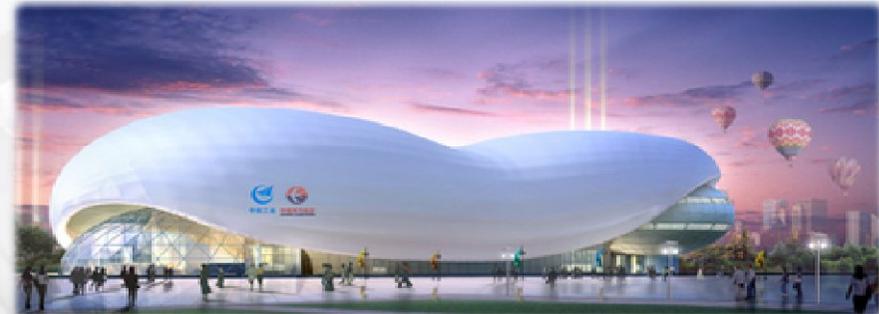
- Reducing the **failure of new products** during clinical tests thanks to:
  - Simulation and modeling solutions
  - Federation of data tools
- Partnering with:
  - Industrial groups (**Ipsen, Pierre Fabre, Servier, BayerCropScience ...**),
  - Academic research agencies and solutions providers
- "The systemic modeling and simulation tools in this **particularly innovative program** will substantially improve the efficiency of biological research. BioIntelligence, and the BioPLM platform that will be developed by it, are **entirely consistent** with key objectives in European research." EU Competition Commissioner Neelie Kroes



# DS Bringing to Life 1<sup>st</sup> Ever World Expo On Line

*Developing New Markets – Diversifying in Construction*

- Bureau of Shanghai World Expo Coordination selecting **3DVIA**, to create the first ever World Expo Online
- Expo Online will build a virtual park with hundreds of virtual pavilions in 3D, allowing visitors to vividly experience the entire Expo site



# Cost & Productivity Initiatives Well On-Track

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## *Cutting Costs and Improving Efficiency*

- **Achieving objective of cost savings in H1 2009**
  - Targeting **€120m** for FY09
  - Achieving **~€55m** in H1 2009 (costs savings from items linked to revenue, stable staffing & salary freeze, travel, marketing, purchasing)
- **Maintaining DS capacity** both in terms of research & development and customer support
- Improving **operational efficiency** across DS with shared services and co-location initiatives
- Taking **two additional** measures in Q2 2009
  - Progressing on regrouping ENOVIA & CATIA R&D resources
  - Go live in May for Shared Services in the US

# Offering Breakthrough Technologies with V6

Advancing on Next Generation of PLM



## The Spiral of Innovation on V6 Platform



## V6 Portfolio Architecture

Our promise to customers



# Agenda

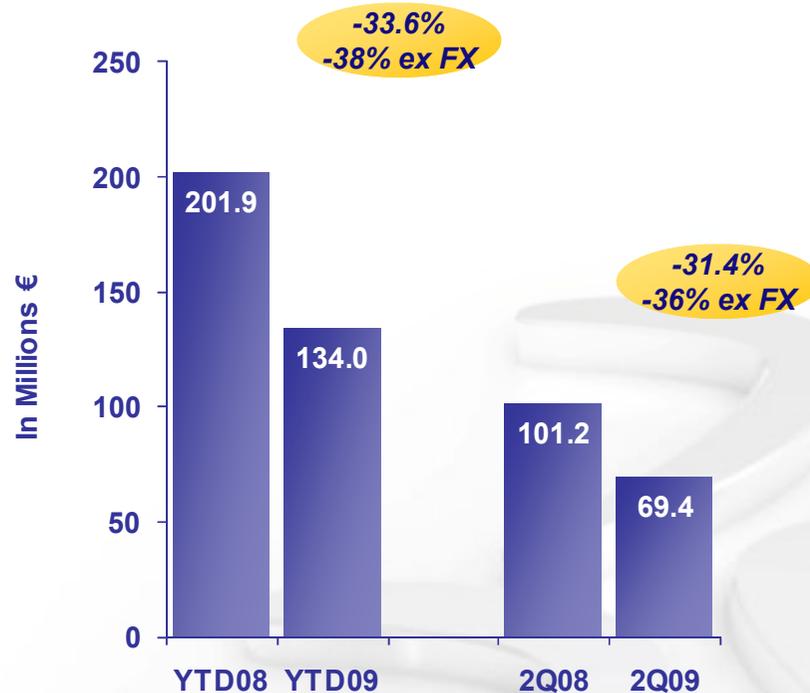
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2. Q209 Financial Highlights
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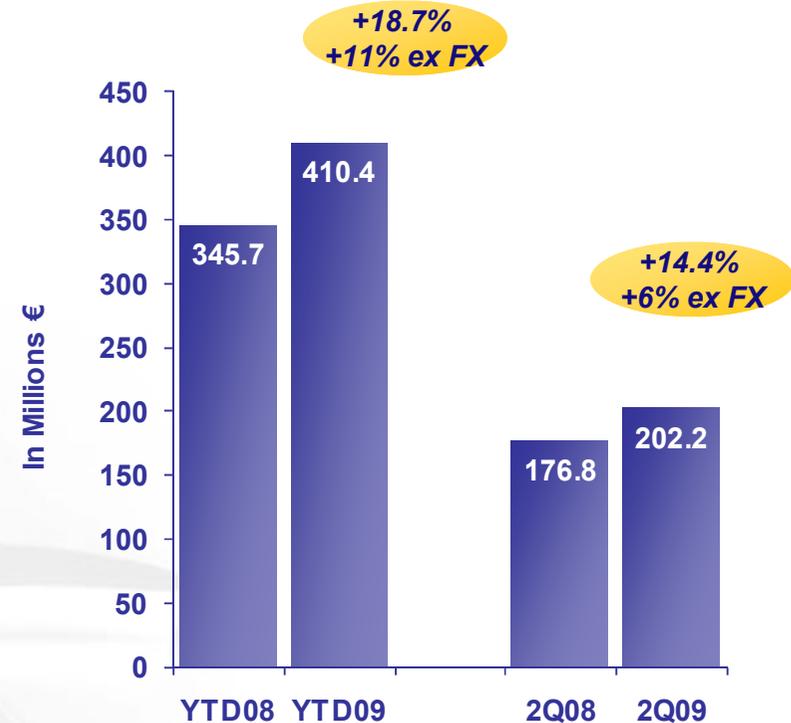
# Software Revenue Growth

Non-IFRS\*

## New licenses Revenue



## Periodic Licenses, Maintenance and Product Development Revenue

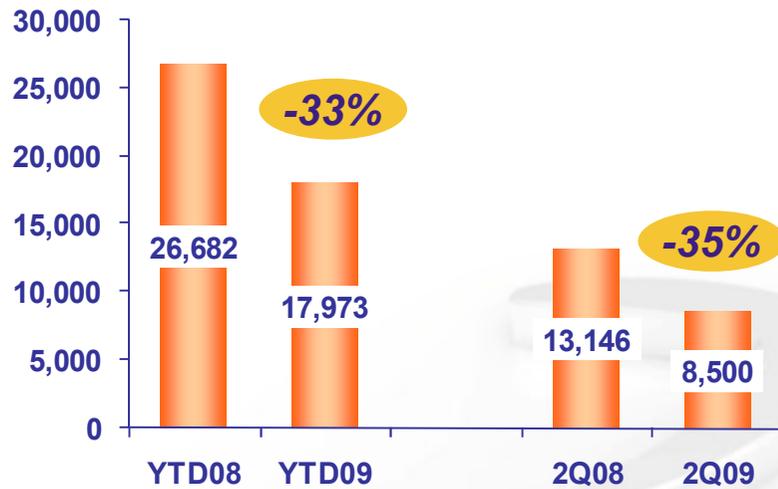


- **New business** still down substantially year on year: **large accounts** moving ahead with significant contracts & **mid-market** still tough
- As anticipated, slower growth of **recurring revenue** with renewal rates in line with expectations

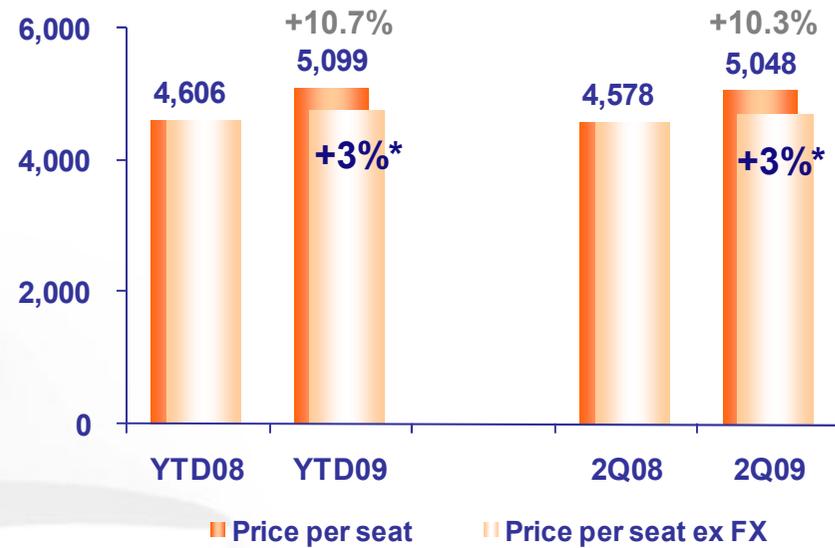
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# Price & Units Evolution – SOLIDWORKS

Number of Units



ASP (€)



- Maintaining price point: ASP +3% ex fx

Reported growth

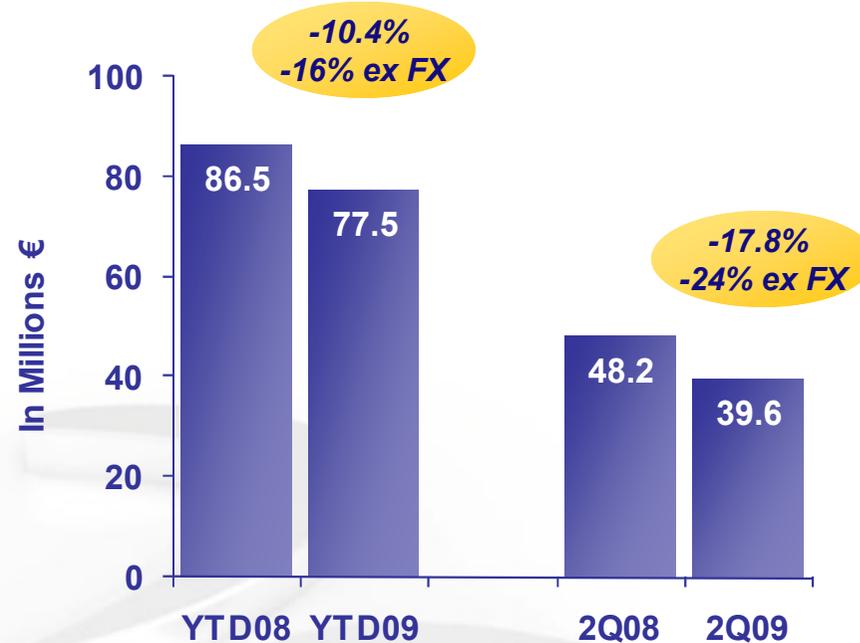
\* Excluding Exchange Rate Impact

Note: assuming a 45% average VAR margin

# Service Revenue and Margin Evolution

Non-IFRS\*

## Services Revenue

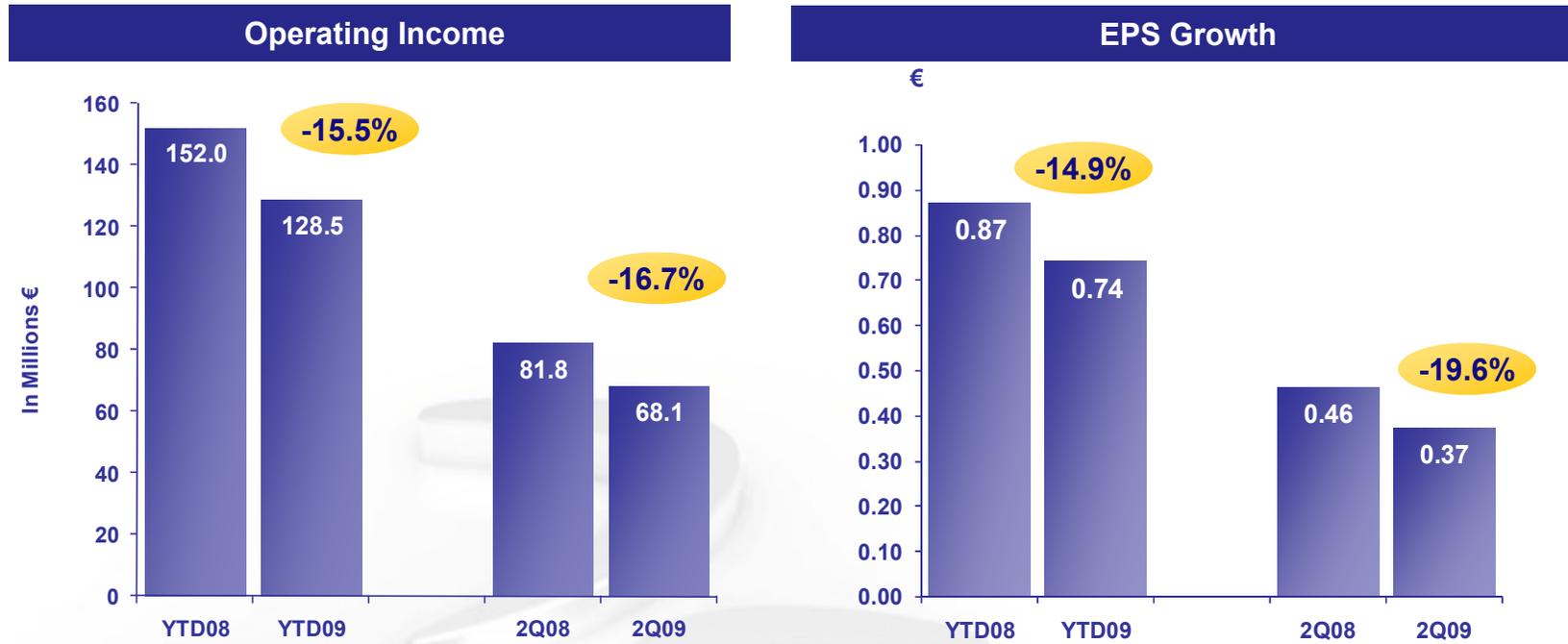


Service Gross Margin	YTD08	YTD09	2Q08	2Q09
	14.3%	5.5%	19.7%	10.6%

- Q209 service revenue decrease due to:
  - **DSF** spin-off,
  - Weak performance in mid-market services
  - **Consulting** impacted by low new software business
- Gross margin increasing **sequentially** (Q1: 0.3% → Q2:10.6%) thanks to cost savings initiatives begun last quarter

# Operating Income Evolution

Non-IFRS\*



Operating Margin	24.0%	20.7%	25.1%	21.9%

- **Operating margin** and **EPS** at the high-end of objectives range

\* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

# Comparing Q2 2009 with Objectives

Non-IFRS\*

€m	Revenue	Operating Expenses	Operating Income	Operating Margin
<b>Non-IFRS Objectives - mid range</b>	<b>302.5</b>	<b>240.5</b>	<b>62.0</b>	<b>20.5%</b>
<b>Growth (%)</b>	<b>(7%)</b>	<b>(2%)</b>	<b>(24%)</b>	<b>-4.6pts</b>
<b>Impact of Actual Currency Rates</b>				
US\$ impact (1.40 → 1.36)	+3.5	+2.8	+0.7	
JPY impact (130.0 → 132.6)	-0.9	-0.3	-0.6	
Other (incl. GBP, KRW and hedging)	+0.8	+0.2	+0.6	
<b>Difference of Results over objectives at actual rates</b>	<b>+5.3</b>	<b>-0.1</b>	<b>+5.4</b>	
<b>Non-IFRS Results</b>	<b>311.2</b>	<b>243.1</b>	<b>68.1</b>	<b>21.9%</b>
<b>Growth (%)</b>	<b>(5%)</b>	<b>(1%)</b>	<b>(17%)</b>	<b>-3.2pts</b>

\* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

# Balance Sheet Comparisons

## IFRS

(in millions of €)	End of		Variation	End of	
	Jun-09	Mar-09	Jun-09 / Mar-09	Dec-08	Jun-09 / Dec-08
Cash and cash equivalents	845.2	902.6	(57.4)	794.1	51.1
Short-term investments	87.6	48.2	39.4	46.3	41.3
Accounts receivable, net	269.1	286.6	(17.5)	329.4	(60.3)
Other current assets	<u>79.5</u>	<u>115.8</u>	<u>(36.3)</u>	<u>138.4</u>	<u>(58.9)</u>
<b>Total current assets</b>	<b>1,281.4</b>	<b>1,353.2</b>	<b>(71.8)</b>	<b>1,308.2</b>	<b>(26.8)</b>
<b>Property and equipment, net</b>	<b>66.7</b>	<b>67.9</b>	<b>(1.2)</b>	<b>69.3</b>	<b>(2.6)</b>
<b>Goodwill and Intangible assets, net</b>	<b>690.8</b>	<b>735.4</b>	<b>(44.6)</b>	<b>722.0</b>	<b>(31.2)</b>
<b>Other non current assets</b>	<b>84.7</b>	<b>65.3</b>	<b>19.4</b>	<b>42.5</b>	<b>42.2</b>
<b>Total Assets</b>	<b>2,123.6</b>	<b>2,221.8</b>	<b>(98.2)</b>	<b>2,142.0</b>	<b>(18.4)</b>
Accounts payable	73.7	73.4	0.3	70.1	3.6
Unearned revenue	246.9	267.0	(20.1)	250.7	(3.8)
Other current liabilities	<u>166.5</u>	<u>166.9</u>	<u>(0.4)</u>	<u>202.2</u>	<u>(35.7)</u>
<b>Total current liabilities</b>	<b>487.1</b>	<b>507.3</b>	<b>(20.2)</b>	<b>523.0</b>	<b>(35.9)</b>
Long-term debt	200.2	200.3	(0.1)	200.7	(0.5)
Other non current obligations	<u>123.1</u>	<u>126.3</u>	<u>(3.2)</u>	<u>113.8</u>	<u>9.3</u>
<b>Total long-term liabilities</b>	<b>323.3</b>	<b>326.6</b>	<b>(3.3)</b>	<b>314.5</b>	<b>8.8</b>
<b>Minority Interests</b>	<b>1.0</b>	<b>1.6</b>	<b>(0.6)</b>	<b>1.6</b>	<b>(0.6)</b>
<b>Parent Shareholders' equity</b>	<b>1,312.2</b>	<b>1,386.3</b>	<b>(74.1)</b>	<b>1,302.9</b>	<b>9.3</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>2,123.6</b>	<b>2,221.8</b>	<b>(98.2)</b>	<b>2,142.0</b>	<b>(18.4)</b>

- **Ds total cash position at the end of June 09: €933m**

# Agenda

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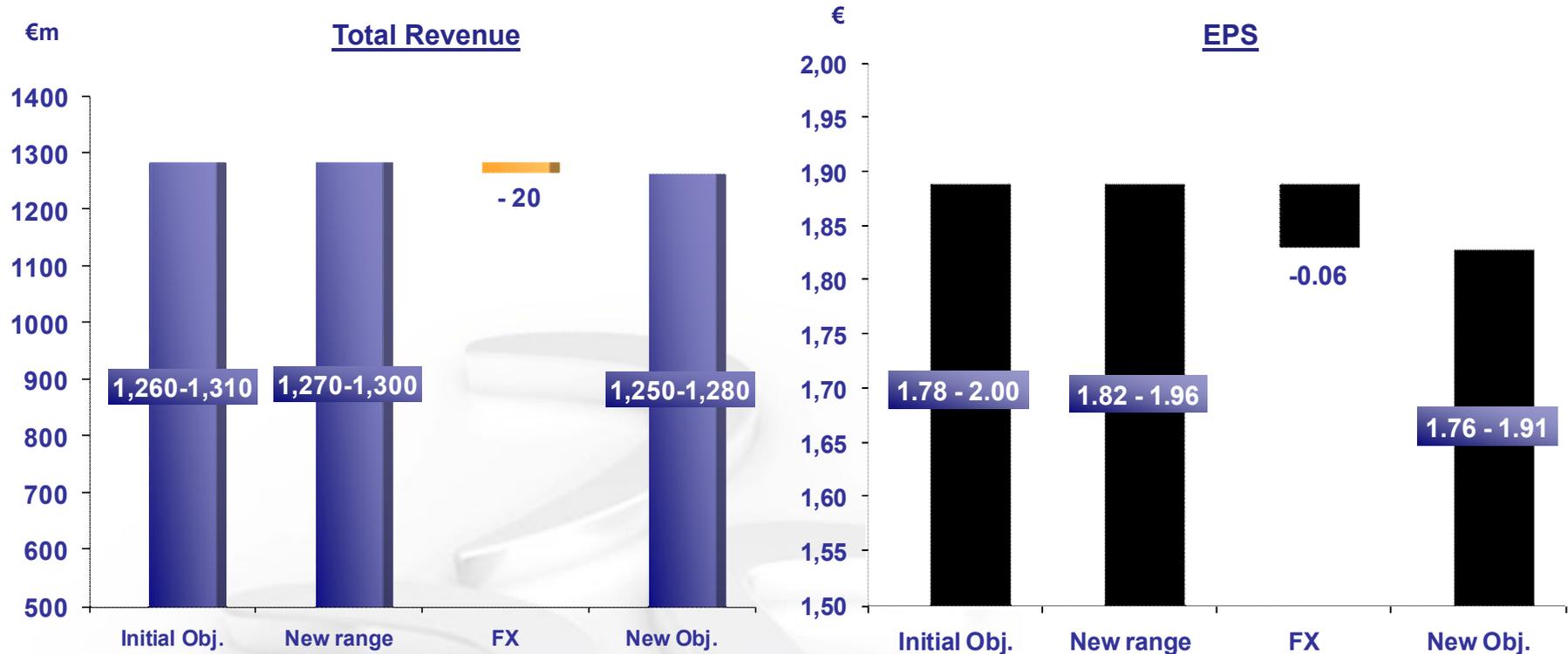
# Assumptions Underlying 2009 Revenue Objectives

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## Non-IFRS

- **Narrowing our full year revenue objective range but otherwise holding the **mid-point unchanged** on a constant currency basis**
    - FY09 new licenses software revenue evolution: (29%)-(25%)
    - FY09 recurring software revenue evolution: +4%+5%  - **Similarly narrowing EPS objective range**
  - **Updating **exchange rates** assumptions**
    - from an average U.S. dollar to euro exchange rate of US\$1.40 per €1.00 for H2 2009 → US\$1.50 per €1.00
    - from an average Japanese yen to euro exchange rate of JPY130 to €1.00 for H2 2009 → JPY140 per €1.00
- therefore adjusting reported revenue range and earnings per share, accordingly

# From April to July Objectives



	Initial	New	Final
<b>Mid-point</b>	1,285	1,285	1,265
<b>ex FX</b>	-9% to -5%	-8% to -6%	-8% to -6%

## 2009 DS Objectives (non-IFRS\*)

€m	3Q09	2009
<b>Revenue</b>	<b>285 - 300</b>	<b>1,250 - 1,280</b>
<b>Growth</b>	<b>-11% to -6%</b>	<b>-7% to -4%</b>
<b>Growth ex FX</b>	<b>-13% to -8%</b>	<b>-8% to -6%</b>
<b>Operating Margin</b>	<b>21 - 24%</b>	<b>24 - 26%</b>
<b>EPS (€)</b>	<b>0.36 - 0.42</b>	<b>1.76 - 1.91</b>
<b>EPS Growth</b>	<b>-27% to -14%</b>	<b>-13% to -5%</b>
<b>€/US\$ Rate</b>	<b>1.50</b>	<b>1.42</b>
<b>€/JPY Rate (before hedging)</b>	<b>140</b>	<b>134</b>

\* See next chart for accounting elements not included in the non-IFRS objectives.

# Accounting elements not included in the non-IFRS 2009 Objectives

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- *FY 2009 estimated **deferred revenue** write-down: about €1.4m*
- *FY 2009 estimated **share-based compensation** expenses (SFAS 123R): about €22m*
- *Quarterly estimated amount of **amortization of acquired intangibles**: €40m for the FY*
- ***Other operating income and expense, net:***
  - ✚ *Restructuring expenses*
  - ✚ *Income and expenses related to the relocation of the Company's headquarters*
- *These estimates don't include the impact of new stock options or share grants in 2009, nor new acquisitions or restructuring which could take place in 2009*

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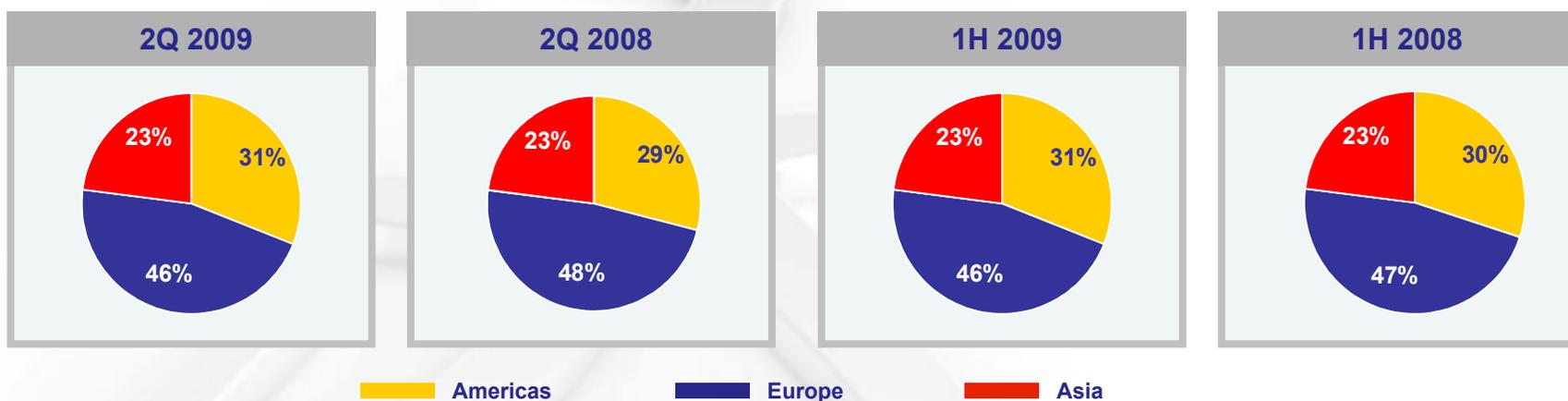
# Revenue by Region

IFRS

in €m

	2Q09	2Q08	Growth	Growth ex FX	YTD09	YTD08	Growth	Growth ex FX
Americas	96.5	95.9	+1%	-12%	193.9	189.8	+2%	-11%
Europe	144.2	157.1	-8%	-8%	281.8	295.8	-5%	-4%
Asia	70.2	73.2	-4%	-18%	144.9	148.0	-2%	-15%
<b>Total Revenue</b>	<b>310.9</b>	<b>326.2</b>	<b>-5%</b>	<b>-11%</b>	<b>620.6</b>	<b>633.6</b>	<b>-2%</b>	<b>-9%</b>

Note: Ex FX data for Europe assumes that all the revenue in Europe is recognized in € and £



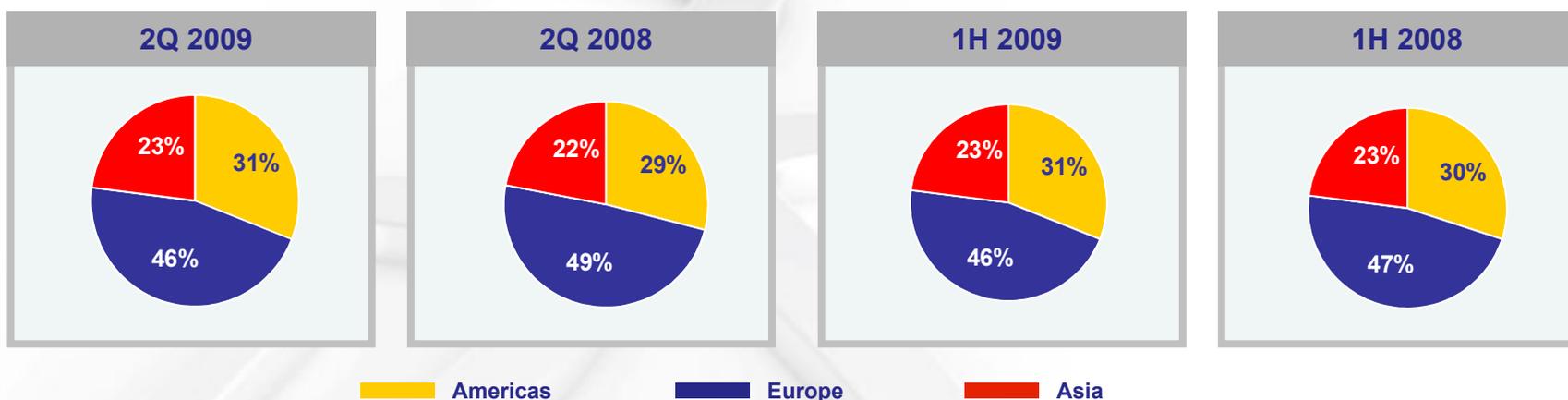
# Revenue by Region

Non-IFRS\*

in €m

	2Q09	2Q08	Growth	Growth ex FX	YTD09	YTD08	Growth	Growth ex FX
Americas	96.6	95.9	+1%	-12%	194.4	190.0	+2%	-11%
Europe	144.2	157.1	-8%	-8%	281.9	296.0	-5%	-4%
Asia	70.4	73.2	-4%	-18%	145.6	148.1	-2%	-15%
<b>Total Revenue</b>	<b>311.2</b>	<b>326.2</b>	<b>-5%</b>	<b>-11%</b>	<b>621.9</b>	<b>634.1</b>	<b>-2%</b>	<b>-9%</b>

Note: Ex FX data for Europe assumes that all the revenue in Europe is recognized in € and £



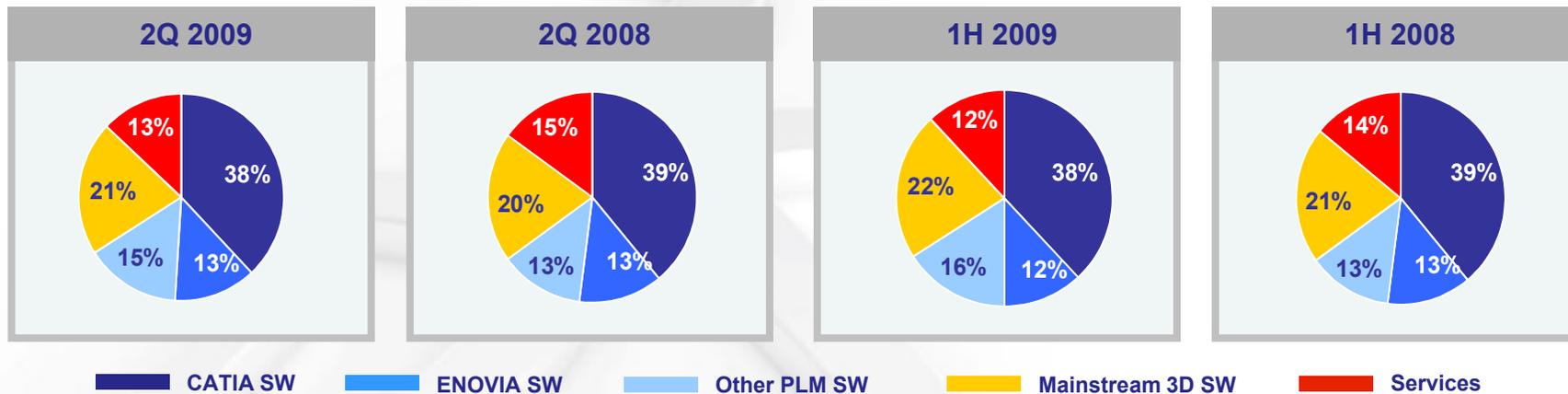
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# Revenue by Product Line

IFRS

in €m

	2Q09	2Q08	Growth	Growth ex FX	YTD09	YTD08	Growth	Growth ex FX
<b>PLM SW</b>	<b>206.5</b>	<b>211.6</b>	<b>-2%</b>	<b>-9%</b>	<b>407.2</b>	<b>413.5</b>	<b>-2%</b>	<b>-8%</b>
CATIA SW	117.9	126.6	-7%	-13%	234.4	249.0	-6%	-12%
ENOVIA SW	40.1	43.3	-7%	-15%	74.2	81.4	-9%	-16%
Other PLM SW	48.5	41.7	+16%	+9%	98.6	83.1	+19%	+11%
<b>Mainstream 3D SW</b>	<b>64.8</b>	<b>66.4</b>	<b>-2%</b>	<b>-10%</b>	<b>135.9</b>	<b>133.6</b>	<b>+2%</b>	<b>-6%</b>
<b>Services</b>	<b>39.6</b>	<b>48.2</b>	<b>-18%</b>	<b>-24%</b>	<b>77.5</b>	<b>86.5</b>	<b>-10%</b>	<b>-16%</b>
<b>Total Revenue</b>	<b>310.9</b>	<b>326.2</b>	<b>-5%</b>	<b>-11%</b>	<b>620.6</b>	<b>633.6</b>	<b>-2%</b>	<b>-9%</b>

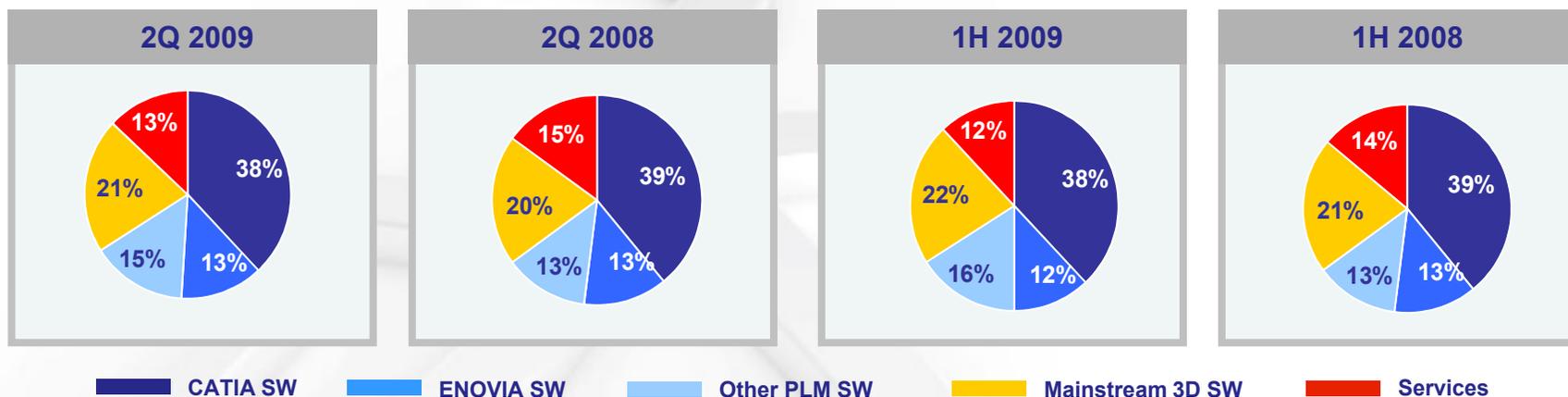


# Revenue by Product Line

Non-IFRS\*

in €m

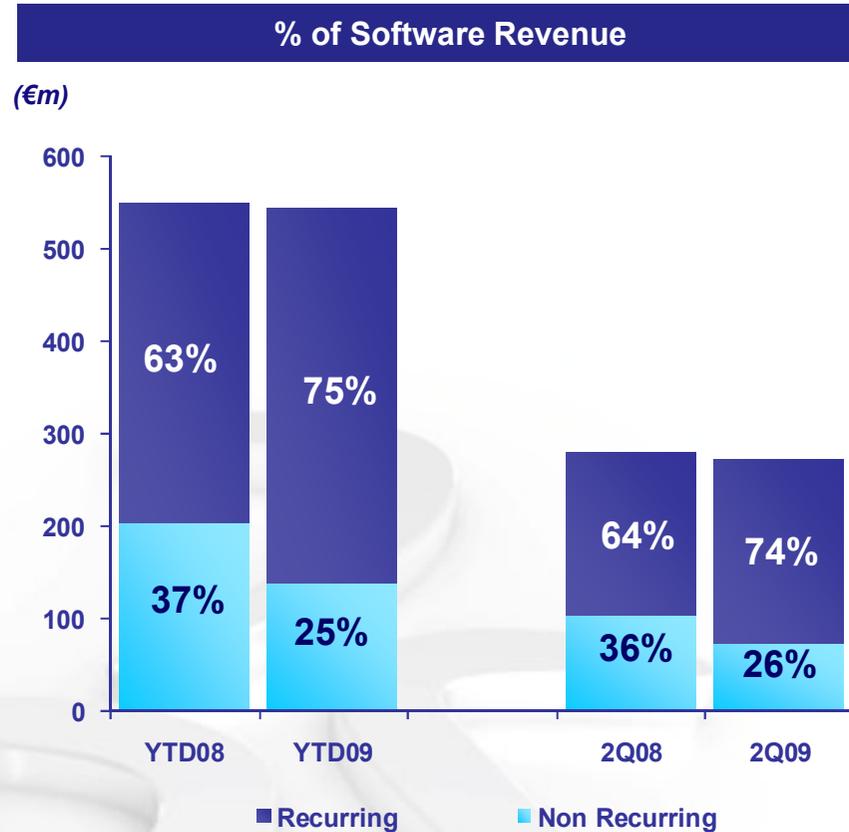
	2Q09	2Q08	Growth	Growth ex FX	YTD09	YTD08	Growth	Growth ex FX
<b>PLM SW</b>	<b>206.8</b>	<b>211.6</b>	<b>-2%</b>	<b>-9%</b>	<b>408.5</b>	<b>414.0</b>	<b>-1%</b>	<b>-8%</b>
CATIA SW	117.9	126.6	-7%	-13%	234.4	249.3	-6%	-12%
ENOVIA SW	40.1	43.3	-7%	-15%	74.2	81.6	-9%	-16%
Other PLM SW	48.8	41.7	+17%	+10%	99.9	83.1	+20%	+13%
<b>Mainstream 3D SW</b>	<b>64.8</b>	<b>66.4</b>	<b>-2%</b>	<b>-10%</b>	<b>135.9</b>	<b>133.6</b>	<b>+2%</b>	<b>-6%</b>
<b>Services</b>	<b>39.6</b>	<b>48.2</b>	<b>-18%</b>	<b>-24%</b>	<b>77.5</b>	<b>86.5</b>	<b>-10%</b>	<b>-16%</b>
<b>Total Revenue</b>	<b>311.2</b>	<b>326.2</b>	<b>-5%</b>	<b>-11%</b>	<b>621.9</b>	<b>634.1</b>	<b>-2%</b>	<b>-9%</b>



\* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

# Software Recurring Revenue Evolution

Non-IFRS\*



Software recurring revenue non-IFRS ex FX growth of +6% in 2Q09 and +10% in 1H09

**NB: Recurring software revenue excludes product development**

\* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

# IFRS P&L

(In millions of €, except per share data)

	Three months ended June			Six months ended June		
	2009	2008	y/y	2009	2008	y/y
Software revenue	271.3	278.0	(2.4%)	543.1	547.1	(0.7%)
New licenses	69.4	101.2	(31.4%)	134.0	201.9	(33.6%)
Product development	1.4	(0.1)	N/S	2.6	0.1	N/S
Periodic licenses and Maintenance	200.5	176.9	+13.3%	406.5	345.1	+17.8%
Service and other revenue	39.6	48.2	(17.8%)	77.5	86.5	(10.4%)
<b>Total revenue</b>	<b>310.9</b>	<b>326.2</b>	<b>(4.7%)</b>	<b>620.6</b>	<b>633.6</b>	<b>(2.1%)</b>
Cost of Software revenue	(14.1)	(12.8)	+10.2%	(28.1)	(27.4)	+2.6%
Cost of Service and other revenue	(35.6)	(38.8)	(8.2%)	(73.5)	(74.4)	(1.2%)
Research and development	(80.3)	(76.6)	+4.8%	(162.4)	(150.3)	+8.1%
Marketing and sales	(91.5)	(95.3)	(4.0%)	(185.4)	(187.8)	(1.3%)
General and administrative	(28.0)	(25.7)	+8.9%	(56.8)	(52.0)	+9.2%
Amortization of acquired intangibles	(11.9)	(9.0)	+32.2%	(22.6)	(18.6)	+21.5%
Other operating income and expense, net	(7.1)	(2.5)	+184.0%	(9.2)	14.7	N/S
<b>Total operating expenses</b>	<b>(268.5)</b>	<b>(260.7)</b>	<b>+3.0%</b>	<b>(538.0)</b>	<b>(495.8)</b>	<b>+8.5%</b>
<b>Operating income</b>	<b>42.4</b>	<b>65.5</b>	<b>(35.3%)</b>	<b>82.6</b>	<b>137.8</b>	<b>(40.1%)</b>
Financial revenue and other, net	(4.5)	0.0	N/S	(4.2)	0.2	N/S
<b>Income before income taxes</b>	<b>37.9</b>	<b>65.5</b>	<b>(42.1%)</b>	<b>78.4</b>	<b>138.0</b>	<b>(43.2%)</b>
Income tax expense	(12.2)	(22.3)	(45.3%)	(23.9)	(37.7)	(36.6%)
Minority Interest	(0.1)	(0.1)	+0.0%	(0.1)	(0.1)	+0.0%
<b>Net Income (to equity holders of the parent)</b>	<b>25.6</b>	<b>43.1</b>	<b>(40.6%)</b>	<b>54.4</b>	<b>100.2</b>	<b>(45.7%)</b>
<b>Diluted net income per share (EPS)</b>	<b>0.22</b>	<b>0.36</b>	<b>(38.9%)</b>	<b>0.46</b>	<b>0.84</b>	<b>(45.2%)</b>
Average shares (Million)	118.1	118.9		118.1	119.3	

# IFRS P&L (%)

	Three months ended June		Six months ended June	
	2009	2008	2009	2008
	<u>% of revenue</u>		<u>% of revenue</u>	
Software revenue	87.3%	85.2%	87.5%	86.3%
New licenses	22.3%	31.0%	21.6%	31.9%
Product development	0.5%	0.0%	0.4%	0.0%
Periodic licenses and Maintenance	64.5%	54.2%	65.5%	54.5%
Service and other revenue	12.7%	14.8%	12.5%	13.7%
<b>Total revenue</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Cost of Software revenue	4.5%	3.9%	4.5%	4.3%
Cost of Service and other revenue	11.5%	11.9%	11.8%	11.7%
Research and development	25.8%	23.5%	26.2%	23.7%
Marketing and sales	29.4%	29.2%	29.9%	29.6%
General and administrative	9.0%	7.9%	9.2%	8.2%
Amortization of acquired intangibles	3.8%	2.8%	3.6%	2.9%
Other operating income and expense, net	2.3%	0.8%	1.5%	-2.3%
<b>Total operating expenses</b>	<b>86.4%</b>	<b>79.9%</b>	<b>86.7%</b>	<b>78.3%</b>
<b>Operating income</b>	<b>13.6%</b>	<b>20.1%</b>	<b>13.3%</b>	<b>21.7%</b>
Financial revenue and other, net	-1.4%	0.0%	-0.7%	0.0%
<b>Income before income taxes</b>	<b>12.2%</b>	<b>20.1%</b>	<b>12.6%</b>	<b>21.8%</b>
<b>Income tax rate (% of IBIT)</b>	<b>32.2%</b>	<b>34.0%</b>	<b>30.5%</b>	<b>27.3%</b>
Minority Interest	0.0%	0.0%	0.0%	0.0%
<b>Net Income (to equity holders of the parent)</b>	<b><u>8.2%</u></b>	<b><u>13.2%</u></b>	<b><u>8.8%</u></b>	<b><u>15.8%</u></b>

# Non-IFRS P&L

(In millions of €, except per share data)

	Three months ended June			Six months ended June		
	2009	2008	y/y	2009	2008	y/y
Software revenue	271.6	278.0	(2.3%)	544.4	547.6	(0.6%)
New licenses	69.4	101.2	(31.4%)	134.0	201.9	(33.6%)
Product development	1.4	(0.1)	N/S	2.6	0.1	N/S
Periodic licenses and Maintenance	200.8	176.9	+13.5%	407.8	345.6	+18.0%
Service and other revenue	39.6	48.2	(17.8%)	77.5	86.5	(10.4%)
<b>Total revenue</b>	<b>311.2</b>	<b>326.2</b>	<b>(4.6%)</b>	<b>621.9</b>	<b>634.1</b>	<b>(1.9%)</b>
Cost of Software revenue	(14.1)	(12.8)	+10.2%	(28.1)	(27.4)	+2.6%
Cost of Service and other revenue	(35.4)	(38.7)	(8.5%)	(73.2)	(74.1)	(1.2%)
Research and development	(76.6)	(73.8)	+3.8%	(155.0)	(144.6)	+7.2%
Marketing and sales	(90.2)	(94.3)	(4.3%)	(182.9)	(185.8)	(1.6%)
General and administrative	(26.8)	(24.8)	+8.1%	(54.2)	(50.2)	+8.0%
<b>Total operating expenses</b>	<b>(243.1)</b>	<b>(244.4)</b>	<b>(0.5%)</b>	<b>(493.4)</b>	<b>(482.1)</b>	<b>+2.3%</b>
<b>Operating income</b>	<b>68.1</b>	<b>81.8</b>	<b>(16.7%)</b>	<b>128.5</b>	<b>152.0</b>	<b>(15.5%)</b>
Financial revenue and other, net	(4.5)	0.0	n/a	(4.2)	0.2	n/a
<b>Income before income taxes</b>	<b>63.6</b>	<b>81.8</b>	<b>(22.2%)</b>	<b>124.3</b>	<b>152.2</b>	<b>(18.3%)</b>
Income tax expense	(19.6)	(26.7)	(26.6%)	(36.9)	(48.4)	(23.8%)
Minority Interest	(0.1)	(0.1)	+0.0%	(0.1)	(0.1)	+0.0%
<b>Net Income (to equity holders of the parent)</b>	<b>43.9</b>	<b>55.0</b>	<b>(20.2%)</b>	<b>87.3</b>	<b>103.7</b>	<b>(15.8%)</b>
<b>Diluted net income per share (EPS)</b>	<b>0.37</b>	<b>0.46</b>	<b>(19.6%)</b>	<b>0.74</b>	<b>0.87</b>	<b>(14.9%)</b>
Average shares (Million)	118.1	118.9		118.1	119.3	

# Non-IFRS P&L (%)

	Three months ended June		Six months ended June	
	2009	2008	2009	2008
	<u>% of revenue</u>		<u>% of revenue</u>	
Software revenue	87.3%	85.2%	87.5%	86.4%
New licenses	22.3%	31.0%	21.5%	31.8%
Product development	0.4%	0.0%	0.4%	0.0%
Periodic licenses and Maintenance	64.5%	54.2%	65.6%	54.5%
Service and other revenue	12.7%	14.8%	12.5%	13.6%
<b>Total revenue</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Cost of Software revenue	4.5%	3.9%	4.5%	4.3%
Cost of Service and other revenue	11.4%	11.9%	11.8%	11.7%
Research and development	24.6%	22.6%	24.9%	22.8%
Marketing and sales	29.0%	28.9%	29.4%	29.3%
General and administrative	8.6%	7.6%	8.7%	7.9%
<b>Total operating expenses</b>	<b>78.1%</b>	<b>74.9%</b>	<b>79.3%</b>	<b>76.0%</b>
<b>Operating income</b>	<b>21.9%</b>	<b>25.1%</b>	<b>20.7%</b>	<b>24.0%</b>
Financial revenue and other, net	-1.4%	0.0%	-0.7%	0.0%
<b>Income before income taxes</b>	<b>20.4%</b>	<b>25.1%</b>	<b>20.0%</b>	<b>24.0%</b>
<b>Income tax rate (% of IBIT)</b>	<b>30.8%</b>	<b>32.6%</b>	<b>29.7%</b>	<b>31.8%</b>
Minority Interest	0.0%	0.0%	0.0%	0.0%
<b>Net Income (to equity holders of the parent)</b>	<b><u>14.1%</u></b>	<b><u>16.9%</u></b>	<b><u>14.0%</u></b>	<b><u>16.4%</u></b>

# 2Q09 IFRS – non-IFRS Reconciliation

## Revenue and Gross margin

(€ million, except % and per share data)	Three months ended June 30,						Increase (Decrease)	
	2009 IFRS	Adjustment (1)	2009 non-IFRS	2008 IFRS	Adjustment (1)	2008 non-IFRS	IFRS	Non-IFRS (2)
<b>TOTAL REVENUE</b>	<b>310.9</b>	<b>0.3</b>	<b>311.2</b>	<b>326.2</b>			<b>(4.7%)</b>	<b>(4.6%)</b>
<b>Total Revenue breakdown by activity</b>								
Software revenue	271.3	0.3	271.6	278.0			(2.4%)	(2.3%)
<i>New Licenses revenue</i>	69.4			101.2			(31.4%)	
<i>Product Development</i>	1.4			(0.1)				
<i>Periodic and Maintenance revenue</i>	200.5	0.3	200.8	176.9			+13.3%	+13.5%
<i>Recurring portion of Software revenue</i>	74%		74%	64%				
Service and other revenue	39.6			48.2			(17.8%)	
<b>Total Revenue breakdown by segment</b>								
PLM SW revenue	206.5	0.3	206.8	211.6			(2.4%)	(2.3%)
<i>of which CATIA SW revenue</i>	117.9			126.6			(6.9%)	
<i>of which ENOVIA SW revenue</i>	40.1			43.3			(7.4%)	
Mainstream 3D SW revenue	64.8			66.4			(2.4%)	
Service and other revenue	39.6			48.2			(17.8%)	
<b>Total Revenue breakdown by geography</b>								
Americas revenue	96.5	0.1	96.6	95.9			+0.6%	+0.7%
Europe revenue	144.2			157.1			(8.2%)	
Asia revenue	70.2	0.2	70.4	73.2			(4.1%)	(3.8%)
<b>Gross Margin</b>								
Cost of Software revenue	(14.1)			(12.8)			+10.2%	
Software Gross margin*	94.8%			95.4%				
Cost of Service and other revenue	(35.6)	0.2	(35.4)	(38.8)	0.1	(38.7)	(8.2%)	(8.5%)
Service Gross margin	10.1%		10.6%	19.5%		19.7%		

- (1) In the reconciliation schedule above, (i) all non-IFRS adjustments to IFRS revenue data reflect the exclusion of the deferred revenue adjustment; (ii) non-IFRS adjustments to IFRS operating expenses data reflect the exclusion of stock-based compensation expenses, amortization of acquired intangibles and other operating income and expense, net; and (iii) all non-IFRS adjustments to IFRS income data reflect the combined effect of these non-IFRS adjustments.
- (2) The non-IFRS percentage increase (decrease) compares non-IFRS measures for the two different periods. In the event there is a 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.

\* No amortization of acquired intangibles is included in Software Gross margin calculation

# 2Q09 IFRS – non-IFRS Reconciliation

## Expenses and Earnings

(€ million, except % and per share data)	Three months ended June 30,						Increase (Decrease)	
	2009 IFRS	Adjustment (1)	2009 non-IFRS	2008 IFRS	Adjustment (1)	2008 non-IFRS	IFRS	Non-IFRS (2)
<b>Total Operating Expenses</b>	<b>(268.5)</b>	<b>25.4</b>	<b>(243.1)</b>	<b>(260.7)</b>	<b>16.3</b>	<b>(244.4)</b>	<b>+3.0%</b>	<b>(0.5%)</b>
Stock-based compensation expense	(6.4)	6.4	-	(4.8)	4.8	-	-	-
Amortization of acquired intangibles	(11.9)	11.9	-	(9.0)	9.0	-	-	-
Other operating income and expense, net	(7.1)	7.1	-	(2.5)	2.5	-	-	-
<b>Operating Income</b>	<b>42.4</b>	<b>25.7</b>	<b>68.1</b>	<b>65.5</b>	<b>16.3</b>	<b>81.8</b>	<b>(35.3%)</b>	<b>(16.7%)</b>
<b>Operating Margin</b>	<b>13.6%</b>		<b>21.9%</b>	<b>20.1%</b>		<b>25.1%</b>		
Income before income taxes	37.9	25.7	63.6	65.5	16.3	81.8	(42.1%)	(22.2%)
<b>Income tax expense</b>	<b>(12.2)</b>	<b>(7.4)</b>	<b>(19.6)</b>	<b>(22.3)</b>	<b>(4.4)</b>	<b>(26.7)</b>	-	-
Income tax effect of adjustments above	(7.4)	7.4	-	(4.4)	4.4	-	-	-
Minority Interest	(0.1)			(0.1)			-	
<b>Net Income</b>	<b>25.6</b>	<b>18.3</b>	<b>43.9</b>	<b>43.1</b>	<b>11.9</b>	<b>55.0</b>	<b>(40.6%)</b>	<b>(20.2%)</b>
<b>Diluted net income per share, in € (3)</b>	<b>0.22</b>	<b>0.15</b>	<b>0.37</b>	<b>0.36</b>	<b>0.10</b>	<b>0.46</b>	<b>(38.9%)</b>	<b>(19.6%)</b>

(€ million)	Three months ended June 30,					
	2009 IFRS	Adjust.	2009 non-IFRS	2008 IFRS	Adjust.	2008 non-IFRS
Cost of Service and other revenue	(35.6)	0.2	(35.4)	(38.9)	0.2	(38.7)
Research and development	(80.3)	3.7	(76.6)	(76.6)	2.8	(73.8)
Marketing and sales	(91.5)	1.3	(90.2)	(95.2)	0.9	(94.3)
General and administrative	(28.0)	1.2	(26.8)	(25.7)	0.9	(24.8)
<b>Total stock-based compensation expense</b>		<b>6.4</b>			<b>4.8</b>	

- (1) In the reconciliation schedule above, (i) all non-IFRS adjustments to IFRS revenue data reflect the exclusion of the deferred revenue adjustment; (ii) non-IFRS adjustments to IFRS operating expenses data reflect the exclusion of stock-based compensation expenses, amortization of acquired intangibles and other operating income and expense, net; and (iii) all non-IFRS adjustments to IFRS income data reflect the combined effect of these non-IFRS adjustments.
- (2) The non-IFRS percentage increase (decrease) compares non-IFRS measures for the two different periods. In the event there is a 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 of 118.1 million diluted shares for Q2 2009 and 118.9 million diluted shares for Q2 2008.

# YTD09 IFRS – non-IFRS Reconciliation

## Revenue and Gross margin

(€ million, except % and per share data)	Six months ended June 30,						Increase (Decrease)	
	2009 IFRS	Adjustment (1)	2009 non-IFRS	2008 IFRS	Adjustment (1)	2008 non-IFRS	IFRS	Non-IFRS (2)
<b>TOTAL REVENUE</b>	<b>620.6</b>	<b>1.3</b>	<b>621.9</b>	<b>633.6</b>	<b>0.5</b>	<b>634.1</b>	<b>(2.1%)</b>	<b>(1.9%)</b>
<b>Total Revenue breakdown by activity</b>								
Software revenue	543.1	1.3	544.4	547.1	0.5	547.6	(0.7%)	(0.6%)
<i>New Licenses revenue</i>	134.0			201.9			(33.6%)	
<i>Product Development</i>	2.6			0.1				
<i>Periodic and Maintenance revenue</i>	406.5	1.3	407.8	345.1	0.5	345.6	+17.8%	+18.0%
<i>Recurring portion of Software revenue</i>	75%		75%	63%		63%		
Service and other revenue	77.5			86.5			(10.4%)	
<b>Total Revenue breakdown by segment</b>								
PLM SW revenue	407.2	1.3	408.5	413.5	0.5	414.0	(1.5%)	(1.3%)
<i>of which CATIA SW revenue</i>	234.4			249.0	0.3	249.3	(5.9%)	(6.0%)
<i>of which ENOVIA SW revenue</i>	74.2			81.4	0.2	81.6	(8.8%)	(9.1%)
Mainstream 3D SW revenue	135.9			133.6			+1.7%	
Service and other revenue	77.5			86.5			(10.4%)	
<b>Total Revenue breakdown by geography</b>								
Americas revenue	193.9	0.5	194.4	189.8	0.2	190.0	+2.2%	+2.3%
Europe revenue	281.8	0.1	281.9	295.8	0.2	296.0	(4.7%)	(4.8%)
Asia revenue	144.9	0.7	145.6	148.0	0.1	148.1	(2.1%)	(1.7%)
<b>Gross Margin</b>								
Cost of Software revenue	(28.1)			(27.4)			+2.6%	
Software Gross margin*	94.8%			95.0%				
Cost of Service and other revenue	(73.5)	0.3	(73.2)	(74.4)	0.3	(74.1)	(1.2%)	(1.2%)
Service Gross margin	5.2%		5.5%	14.0%		14.3%		

- (1) In the reconciliation schedule above, (i) all non-IFRS adjustments to IFRS revenue data reflect the exclusion of the deferred revenue adjustment; (ii) non-IFRS adjustments to IFRS operating expenses data reflect the exclusion of stock-based compensation expenses, amortization of acquired intangibles and other operating income and expense, net; and (iii) all non-IFRS adjustments to IFRS income data reflect the combined effect of these non-IFRS adjustments.
- (2) The non-IFRS percentage increase (decrease) compares non-IFRS measures for the two different periods. In the event there is a 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.

\* No amortization of acquired intangibles is included in Software Gross margin calculation



# YTD09 IFRS – non-IFRS Reconciliation

## Expenses and Earnings

(€ million, except % and per share data)	Six months ended June 30,						Increase (Decrease)	
	2009 IFRS	Adjustment (1)	2009 non-IFRS	2008 IFRS	Adjustment (1)	2008 non-IFRS	IFRS	Non-IFRS (2)
<b>Total Operating Expenses</b>	<b>(538.0)</b>	<b>44.6</b>	<b>(493.4)</b>	<b>(495.8)</b>	<b>13.7</b>	<b>(482.1)</b>	<b>+8.5%</b>	<b>+2.3%</b>
Stock-based compensation expense	(12.8)	12.8	-	(9.8)	9.8	-	-	-
Amortization of acquired intangibles	(22.6)	22.6	-	(18.6)	18.6	-	-	-
Other operating income and expense, net	(9.2)	9.2	-	14.7	(14.7)	-	-	-
<b>Operating Income</b>	<b>82.6</b>	<b>45.9</b>	<b>128.5</b>	<b>137.8</b>	<b>14.2</b>	<b>152.0</b>	<b>(40.1%)</b>	<b>(15.5%)</b>
<b>Operating Margin</b>	<b>13.3%</b>		<b>20.7%</b>	<b>21.7%</b>		<b>24.0%</b>		
Income before income taxes	78.4	45.9	124.3	138.0	14.2	152.2	(43.2%)	(18.3%)
<b>Income tax expense</b>	<b>(23.9)</b>	<b>(13.0)</b>	<b>(36.9)</b>	<b>(37.7)</b>	<b>(10.7)</b>	<b>(48.4)</b>	-	-
Income tax effect of adjustments above	(13.0)	13.0	-	(10.7)	10.7	-	-	-
Minority Interest	(0.1)			(0.1)			-	
<b>Net Income</b>	<b>54.4</b>	<b>32.9</b>	<b>87.3</b>	<b>100.2</b>	<b>3.5</b>	<b>103.7</b>	<b>(45.7%)</b>	<b>(15.8%)</b>
<b>Diluted net income per share, in € (3)</b>	<b>0.46</b>	<b>0.28</b>	<b>0.74</b>	<b>0.84</b>	<b>0.03</b>	<b>0.87</b>	<b>(45.2%)</b>	<b>(14.9%)</b>

(€ million)	Six months ended June 30,					
	2009 IFRS	Adjust.	2009 non-IFRS	2008 IFRS	Adjust.	2008 non-IFRS
Cost of Service and other revenue	(73.5)	0.3	(73.2)	(74.4)	0.3	(74.1)
Research and development	(162.4)	7.4	(155.0)	(150.3)	5.7	(144.6)
Marketing and sales	(185.4)	2.5	(182.9)	(187.8)	2.0	(185.8)
General and administrative	(56.8)	2.6	(54.2)	(52.0)	1.8	(50.2)
<b>Total stock-based compensation expense</b>		<b>12.8</b>			<b>9.8</b>	

- (1) In the reconciliation schedule above, (i) all non-IFRS adjustments to IFRS revenue data reflect the exclusion of the deferred revenue adjustment; (ii) non-IFRS adjustments to IFRS operating expenses data reflect the exclusion of stock-based compensation expenses, amortization of acquired intangibles and other operating income and expense, net; and (iii) all non-IFRS adjustments to IFRS income data reflect the combined effect of these non-IFRS adjustments.
- (2) The non-IFRS percentage increase (decrease) compares non-IFRS measures for the two different periods. In the event there is a 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 of 118.1 million diluted shares for H1 2009 and 119.3 million diluted shares for H1 2008.

# Financial Revenue and Other

IFRS

€m	<u>2Q09</u>	<u>2Q08</u>	Growth	<u>YTD09</u>	<u>YTD08</u>	Growth
Interest Income	2.9	5.1	(43%)	6.6	10.9	(39%)
Expense	(2.0)	(2.1)		(4.0)	(4.0)	
Financial net Income	0.9	3.0	(70%)	2.6	6.9	(62%)
Exchange Gain / Loss	(5.3)	(3.7)	43%	(7.0)	(7.7)	(9%)
Other Income / Loss	(0.1)	0.7		0.2	0.9	
Total	(4.5)	0.0	n/s	(4.2)	0.2	(2200%)

# Estimated FX Impact on 2Q09 Operating Performance

Non-IFRS\*

€m	Revenue	Operating Expenses	Operating Income	Operating Margin
<b>Non-IFRS</b>	<b>311.2</b>	<b>243.1</b>	<b>68.1</b>	<b>21.9%</b>
<b>Growth (%)</b>	<b>(5%)</b>	<b>(1%)</b>	<b>(17%)</b>	<b>-3.2pts</b>
US\$ impact (1.56 → 1.36)	-15.6	-12.5	-3.1	
JPY impact (163.4 → 132.6)	-8.5	-2.5	-6.0	
Other (incl. GBP, KRW and hedging)	<u>+2.1</u>	<u>+0.7</u>	<u>+1.4</u>	
<b>Total FX impact adjustment</b>	<b>-22.0</b>	<b>-14.3</b>	<b>-7.7</b>	
<b>Non-IFRS ex FX</b>	<b>289.2</b>	<b>228.8</b>	<b>60.4</b>	<b>20.9%</b>
<b>Growth (%)</b>	<b>(11%)</b>	<b>(6%)</b>	<b>(26%)</b>	<b>-4.2pts</b>

\* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

# Estimated FX Impact on 1H09 Operating Performance

Non-IFRS\*

€m	Revenue	Operating Expenses	Operating Income	Operating Margin
<b>Non-IFRS</b>	<b>621.9</b>	<b>493.4</b>	<b>128.5</b>	<b>20.7%</b>
<b>Growth (%)</b>	<b>(2%)</b>	<b>+2%</b>	<b>(15%)</b>	<b>-3.3pts</b>
US\$ impact (1.53 → 1.33)	-31.7	-25.8	-5.9	
JPY impact (160.6 → 127.3)	-18.7	-5.5	-13.2	
Other (incl. GBP, KRW and hedging)	<u>+7.8</u>	<u>+2.0</u>	<u>+5.8</u>	
<b>Total FX impact adjustment</b>	<b>-42.6</b>	<b>-29.3</b>	<b>-13.3</b>	
<b>Non-IFRS ex FX</b>	<b>579.3</b>	<b>464.1</b>	<b>115.2</b>	<b>19.9%</b>
<b>Growth (%)</b>	<b>(9%)</b>	<b>(4%)</b>	<b>(24%)</b>	<b>-4.1pts</b>

\* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

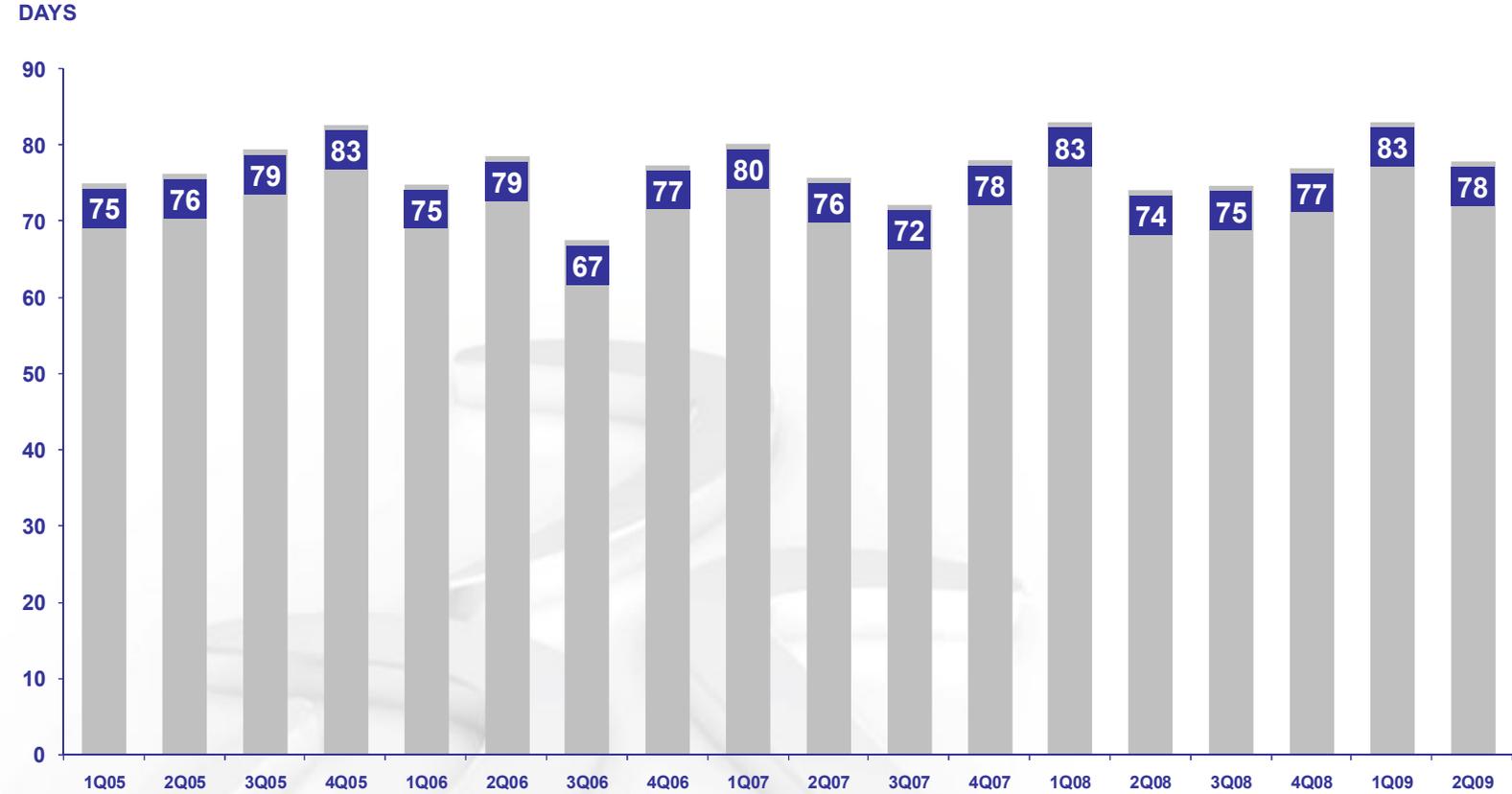
# Consolidated Statement of Cash Flows

## IFRS

(in millions of €)	2Q09	2Q08	Delta	YTD09	YTD08	Delta
Net Income attributable to equity holders of the parent	25.6	43.1	-17.5	54.4	100.2	-45.8
Minority interest	0.1	0.1	+0.0	0.1	0.1	+0.0
Net Income	25.7	43.2	-17.5	54.5	100.3	-45.8
Depreciation and Amortization of Property & Equipment	5.9	5.3	+0.6	11.5	11.2	+0.3
Amortization of Intangible Assets	12.5	10.1	+2.4	24.6	20.7	+3.9
Other Non Cash P&L Items	4.0	2.7	+1.3	2.7	(13.8)	+16.5
Changes in working capital	32.9	45.0	-12.1	84.0	76.4	+7.6
<b>Net Cash Provided by (Used in) Operating Activities (I)</b>	<b>81.0</b>	<b>106.3</b>	<b>-25.3</b>	<b>177.3</b>	<b>194.8</b>	<b>-17.5</b>
Acquisition of assets and equity, net of cash acquired	(10.4)	(14.3)	+3.9	(16.8)	(24.6)	+7.8
Sale of fixed assets	0.3	(0.2)	+0.5	0.5	36.0	-35.5
Purchase of short-term investments, net	(41.5)	(58.2)	+16.7	(42.1)	(57.2)	+15.1
Loans and others	0.2	0.5	-0.3	0.0	0.3	-0.3
<b>Net Cash Provided by (Used in) Investing Activities (II)</b>	<b>(51.4)</b>	<b>(72.2)</b>	<b>+20.8</b>	<b>(58.4)</b>	<b>(45.5)</b>	<b>-12.9</b>
Borrowings	0.0	0.0	+0.0	0.0	0.0	+0.0
Share repurchase	0.0	0.0	+0.0	0.0	(35.0)	+35.0
DS stock option and preferred stock exercise	0.2	19.1	-18.9	0.5	23.3	-22.8
Cash dividend paid	(54.8)	(53.7)	-1.1	(54.8)	(53.7)	-1.1
Payments on capital lease obligations	0.0	0.0	+0.0	0.0	0.0	+0.0
<b>Net Cash Provided by (Used in) Financing Activities (III)</b>	<b>(54.6)</b>	<b>(34.6)</b>	<b>-20.0</b>	<b>(54.3)</b>	<b>(65.4)</b>	<b>+11.1</b>
<b>Effect of exchange rate changes on cash and cash equivalents (IV)</b>	<b>(32.4)</b>	<b>0.4</b>	<b>-32.8</b>	<b>(13.5)</b>	<b>(25.0)</b>	<b>11.5</b>
<b>Increase (Decrease) in Cash (V) = (I)+(II)+(III)+(IV)</b>	<b>(57.4)</b>	<b>(0.1)</b>	<b>-57.3</b>	<b>51.1</b>	<b>58.9</b>	<b>-7.8</b>
<b>Cash and cash equivalents at Beginning of Period</b>	<b>902.6</b>	<b>656.2</b>		<b>794.1</b>	<b>597.2</b>	
<b>Cash and cash equivalents at End of Period</b>	<b>845.2</b>	<b>656.1</b>		<b>845.2</b>	<b>656.1</b>	

# Trade Accounts Receivable / DSO

IFRS



Note: DSO is increasing year on year.

## Exchange rates (€/US\$)

Period	Average Rate	% Growth	Ending Rate	% Growth
2005	1.24	0.1%	1.18	(13.4%)
2006	1.26	0.9%	1.32	11.6%
2007	1.37	9.2%	1.47	11.8%
2008	1.47	7.3%	1.39	(5.5%)
1Q09	1.30	(13.1%)	1.33	(15.8%)
1Q08	1.50	14.4%	1.58	18.7%
1Q07	1.31	9.0%	1.33	10.0%
1Q06	1.20	(8.3%)	1.21	(6.6%)
1Q05	1.31	4.8%	1.30	6.1%
2Q09	1.36	(12.7%)	1.41	(10.3%)
2Q08	1.56	15.9%	1.58	16.7%
2Q07	1.35	7.3%	1.35	7.8%
2Q06	1.26	(0.3%)	1.25	3.6%
2Q05	1.26	4.6%	1.21	(0.5%)
3Q08	1.50	9.4%	1.43	0.9%
3Q07	1.37	7.9%	1.42	12.0%
3Q06	1.27	4.5%	1.27	5.1%
3Q05	1.22	(0.2%)	1.20	(3.0%)
4Q08	1.32	(9.1%)	1.39	(5.5%)
4Q07	1.45	12.3%	1.47	11.8%
4Q06	1.29	8.6%	1.32	11.6%
4Q05	1.19	(8.3%)	1.18	(13.4%)

## Exchange rates (€/JPY)

Period	Average Rate	% Growth	Ending Rate	% Growth
2005	136.9	1.8%	138.9	(0.5%)
2006	146.1	6.7%	156.9	13.0%
2007	161.4	10.5%	164.9	5.1%
2008	152.3	(5.6%)	126.1	(23.5%)
1Q09	122.0	(22.6%)	131.2	(16.6%)
1Q08	157.7	0.8%	157.4	0.0%
1Q07	156.5	11.4%	157.3	10.5%
1Q06	140.5	2.6%	142.4	2.9%
1Q05	137.0	2.2%	138.4	9.0%
2Q09	132.6	(18.8%)	135.5	(18.6%)
2Q08	163.4	0.3%	166.4	(0.1%)
2Q07	162.8	13.2%	166.6	14.1%
2Q06	143.8	6.1%	146.0	9.0%
2Q05	135.5	2.5%	134.0	1.2%
3Q08	161.8	(0.1%)	150.5	(8.0%)
3Q07	161.9	9.3%	163.6	9.5%
3Q06	148.1	9.2%	149.3	9.6%
3Q05	135.6	0.9%	136.3	(0.7%)
4Q08	126.4	(23.0%)	126.1	(23.5%)
4Q07	164.3	8.2%	164.9	5.1%
4Q06	151.9	8.9%	156.9	13.0%
4Q05	139.4	1.7%	138.9	(0.5%)

# Exchange Rate Evolution

## Estimated Breakdown of P&L by currency for 2009

	<u>US\$</u>	<u>JPY</u>
<b>Revenue</b>	<b>39.0%</b>	<b>14.5%</b>
<i>(As a % of Revenue)</i>		
<i>Of which was hedged</i>	-	5%
<b>Operating Expenses</b>	<b>39.9%</b>	<b>5.4%</b>
<i>(As a % of Expenses)</i>		

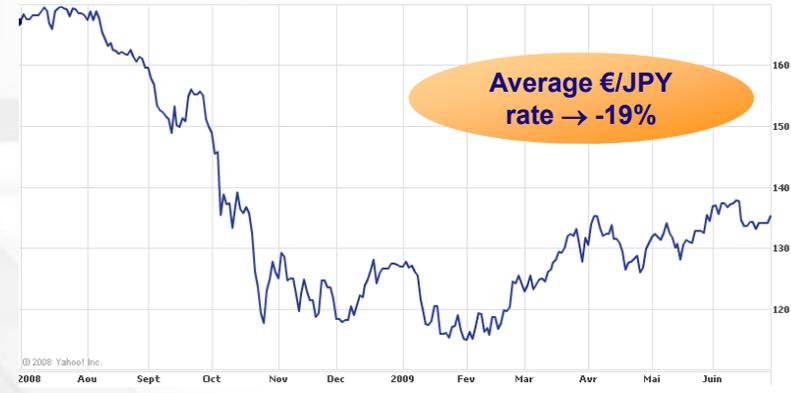
## Average Exchange rates

	<u>2Q09</u>	<u>2Q08</u>	<u>Var.</u>
€/US\$	1.36	1.56	-13%
€/JPY	132.6	163.4	-19%

### €/US\$ – 2Q09/2Q08 Variance



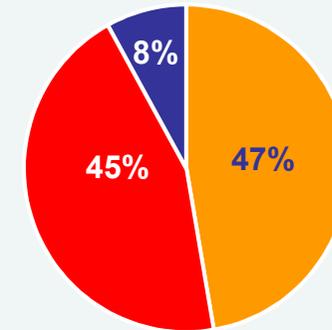
### €/JPY – 2Q09/2Q08 Variance



# Headcount

At Closing - TOTAL					
	Jun-09	Jun-08	% growth	Mar-09	% growth
M&S + COR Ser	3,682	3,693	-0.3%	3,792	-2.9%
R&D + COR SW	3,576	3,411	4.8%	3,584	-0.2%
G&A	646	603	7.1%	643	0.4%
<b>Total</b>	<b>7,903</b>	<b>7,707</b>	<b>2.5%</b>	<b>8,020</b>	<b>-1.4%</b>

Closing Headcount – June 2009



- M&S + COR Ser
- R&D + COR SW
- G&A



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