



**3DEXPERIENCE®**

## Analysts Meeting Q1 2015

Bernard Charlès, President and CEO  
Thibault de Tersant, Senior EVP, CFO

# 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 2015 takes into consideration, among other things, an uncertain global economic environment. In light of the continuing uncertainties regarding economic, business, social and geopolitical conditions at the global level, the Company's revenue, net earnings and cash flows may grow more slowly, whether on an annual or quarterly basis. While the Company makes every effort to take into consideration this uncertain macroeconomic outlook, the Company's business results, however, may not develop as anticipated. Furthermore, due to factors affecting sales of the Company's products and services as described above, 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 US dollar to euro exchange rate of US\$1.15 per €1.00 for the 2015 second quarter and US\$1.14 per €1.00 for the full year as well as an average Japanese yen to euro exchange rate of JPY135.0 to €1.00 for the 2015 second quarter and JPY134.8 to €1.00 for the full year; 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 numerous risks and uncertainties, as described in the "Risk Factors" section of the 2014 *Document de Référence*, filed with the AMF on March 24, 2015, and also available on the Company's website [www.3ds.com](http://www.3ds.com).

# Non-IFRS 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, 2014 included in the Company's 2014 *Document de Référence* filed with the AMF on March 24, 2015.

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, share-based compensation expense and related social charges, the amortization of acquired intangible assets, other operating income and expense, net, certain one-time items included in financial revenue and other, net, and the income tax effect of the non-IFRS adjustments and certain one-time tax effects. 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 "prior" period have first been recalculated using the average exchange rates of the comparable period in the current year, and then compared with the results of the comparable period in the current year.

# Q1 2015 Highlights

- A **rewarding quarter, well aligned** on **full year objectives**
- **Organic growth** strengthening
- **Multiple growth drivers** at work
- Updating **FY15 guidance** for **currency assumptions**

# Agenda

1

Q1 15 Business Review

2

Q1 15 Financial Highlights

3

Q2 & FY15 Financial Objectives

4

Financial Information Appendix

# Q1 15 Business Review

- **Q1 Performance**
- SOLIDWORKS
- Industries Business Dynamics
- Industry Solution Experiences & Roles

# Q1 15 Non-IFRS

- Strong **new licenses** revenue growth with **organic new licenses** revenue up **14%** exFX
- Delivering **operating margin & EPS above objectives** thanks to organic margin and positive currency impact

€ millions	Q1 15
Revenue	665
Growth	+32%
Growth exFX	+19%
New Licenses Revenue Growth exFX	+24%
Operating Margin	25.8%
EPS (€)	0.43
EPS Evolution*	+18%

\*Q1 2014 EPS adjusted to reflect the two-for-one stock split effected on July 17, 2014

# Revenue by Region Non-IFRS

- Growth in **North America** offset in part by weaker results in Latin America
- Solid growth in **all major countries** in **Europe**
- **Asia** driven by **Korea, India** and **Japan**

## Revenue Growth exFX by Region

	Q1 15
Americas	+23%
Europe	+18%
Asia	+18%
<b>Total Revenue</b>	<b>+19%</b>

# Software Revenue by Brands Non-IFRS

- **CATIA**: balanced growth across regions
- **ENOVIA**: strong base of comparison with new licenses revenue growth up **55%** exFX in Q1 2014
- **SOLIDWORKS**: strong performance
- **Other Software**: solid SIMULIA & EXALEAD, BIOVIA and QUINTIQ well in line with expectations
- **Organic Software Revenue**: **~+9%** exFX

## Software Revenue Growth exFX by Brands

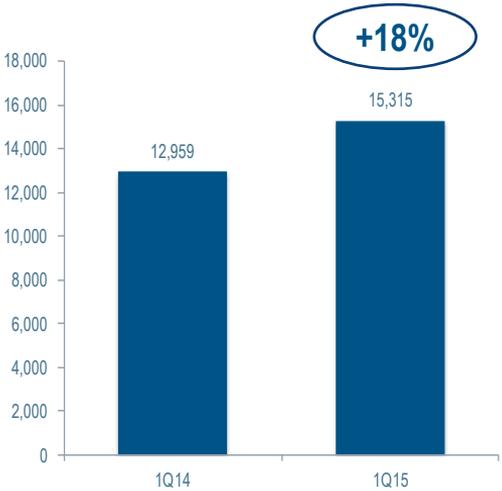
	Q1 15
CATIA	+4%
ENOVIA	-4%
SOLIDWORKS	+17%
Other Software	+59%
<b>Total Software</b>	<b>+18%</b>

# Q1 15 Business Review

- Q1 Performance
- **SOLIDWORKS**
- Industries Business Dynamics
- Industry Solution Experiences & Roles

# SOLIDWORKS Price & Units Evolution

Number of Units



ASP (€)



Note: assuming in 2014 and 2015 a 48% average VAR margin

**SOLIDWORKS** non-IFRS revenue up 17% exFX

# Increasing SOLIDWORKS Footprint



Inspiring Innovation  
for Product Creation

- On the way to reaching **3 million** users
- Success enabled by :
  - **Product competitiveness** thanks to continued R&D investments, both on desktop and cloud products
  - **Solid Professional Channel** and increased coverage
  - **Strong SOLIDWORKS community** benefiting from MySolidWorks (<http://my.solidworks.com/>) resulting in high level of recurring revenue



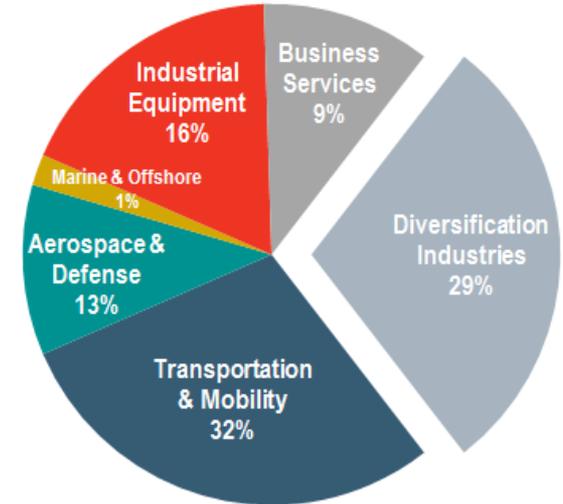
# Q1 15 Business Review

- Q1 Performance
- SOLIDWORKS
- **Industries Business Dynamics**
- Industry Solutions Experiences & Roles

# Industry Vertical Diversification

- **Diversification industries\*** representing **29%** of Q1 2015 software revenue  
→ **+4 percentage points** YoY

## Q1 15 – Software Revenue



\* Architecture, Engineering & Construction; Consumer Goods & Retail; Consumer Packaged Goods & Retail; Energy, Process & Utilities; Finance Business Services; High-Tech; Life Sciences; Natural Resources

# Core Industries\*

- **Good dynamic** of core industries driven by **Transportation & Mobility**, **Industrial Equipment** and **Marine & Offshore**
- Reflecting customer engagement with **Industry Solution Experiences**: Smart Safe & Connected, Single Source for Speed, Design for Sea ...
- Supporting **customers' strategic priorities**: smarter vehicles, energy efficiency, globalization, modularization, program management, on-time & on-budget ...

\* Aerospace & Defense; Business Services (other than Finance); Industrial Equipment; Marine & Offshore; Transportation & Mobility

# Ashok Leyland Adopts 3DEXPERIENCE Platform



## Ashok Leyland

Ashok Leyland is the second largest manufacturer of commercial vehicles in India and the fourth largest manufacturer of buses in the world

## Business Values

- **Reduction of design lead time** by managing the variant complexity through design in configured context method
- **Cross-functional integration for earlier and quicker decision making** through a single information platform – across design, manufacturing and sourcing

## Solution

- 3DEXPERIENCE Platform with **Modular Glo/cal & Secure** Industry Solution Experience

# Diversification Industries\*

- Expanding footprint in diversification industries most notably in **Life Sciences, Energy, Process & Utilities** and **Consumer Packaged Goods-Retail**
- **Industry Solution Experiences** facilitating the **acquisition of new customers**

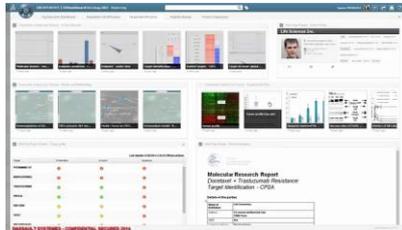
\* Architecture, Engineering & Construction; Consumer Goods & Retail; Consumer Packaged Goods & Retail; Energy, Process & Utilities; Finance Business Services; High-Tech; Life Sciences; Natural Resources

# Life Sciences – License to Cure for BioPharma Solution

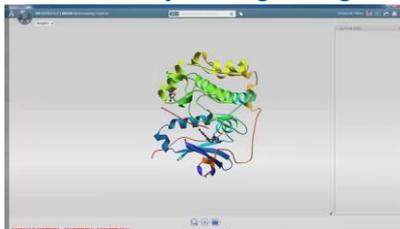
Experience Translational Science



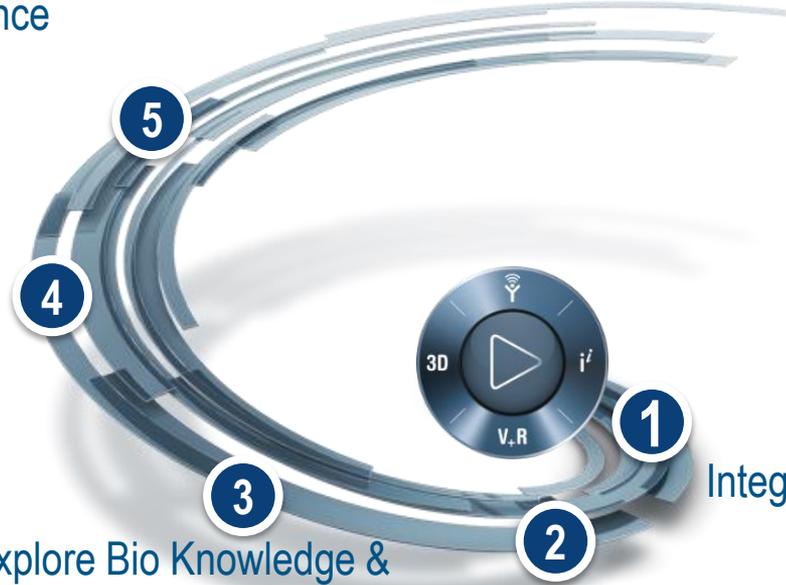
Assess Drug Safety



<http://www.3ds.com/industries/life-sciences/license-to-cure-for-biopharma/>



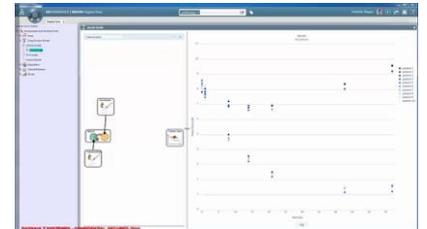
Explore Bio Knowledge & Identify Drug Target



Reveal Business Related Information



Integrate Clinical Trials & Cell Models



# Roche Diagnostics Adopts 3DEXPERIENCE Platform



## Roche Diagnostics

Roche Diagnostics, a division of F. Hoffmann-La Roche Ltd., is active in all market segments, from scientific research and clinical laboratory systems to patient self-monitoring

### Business Values

- **Reducing time-to-market:** collaborative platform providing flexibility in the engineering process and enabling Systems Engineering
- **Reducing number of physical prototypes:** early prototyping based on DMU approach / Integrated simulation data management
- **Connecting the dots across disciplines:** 3D data used for downstream processes in R&D, Marketing, Customer Support, Regulatory Compliance, etc.

### Solution

- **3DEXPERIENCE Platform with Licensed to Cure Industry Solution Experience**

# Q1 15 Business Review

- Q1 Performance
- SOLIDWORKS
- Industries Business Dynamics
- **Industry Solution Experiences & Roles**

# Industry Solution Experiences & Roles

## INDUSTRY SOLUTION EXPERIENCES



## ROLES

- |                               |                                    |                               |                                |                             |                       |                          |                             |                                |                           |  |  |  |  |  |
|-------------------------------|------------------------------------|-------------------------------|--------------------------------|-----------------------------|-----------------------|--------------------------|-----------------------------|--------------------------------|---------------------------|--|--|--|--|--|
|                               |                                    |                               |                                |                             |                       |                          |                             |                                |                           |  |  |  |  |  |
| 3D Master Conceptual Designer | 3D Master Designer                 | Architectural Detail Designer | Assembly Simulation Expert     | Best practice Designer      | Conceptual Designer   | Creative Designer        | Customization Administrator | Design Review Manager          | Design Reviewer           |  |  |  |  |  |
|                               |                                    |                               |                                |                             |                       |                          |                             |                                |                           |  |  |  |  |  |
| Car Design Ergonomist         | Civil Engineer                     | Class A Modeler               | Class-A Expert                 | Classification Manager      | Drill & Fill Engineer | Dynamic Systems Designer | Dynamic Systems Server      | Electrical 3D Systems Designer | Electrical Harness Manuf. |  |  |  |  |  |
|                               |                                    |                               |                                |                             |                       |                          |                             |                                |                           |  |  |  |  |  |
| Composites Designer           | Composites Designer & Manufacturer | Composites Manufacturer       | Concept Architectural Designer | Concept Structural Designer | Ergonomics Specialist | Ergonomist               | Fastener Process Planner    | Fluid 3D Systems Designer      | Fluid Mechanics Analyst   |  |  |  |  |  |

[www.3ds.com/industries](http://www.3ds.com/industries)

# Multiple Roles Offering Multiple Entry Points

## 2 Examples:

1. **Systems Engineers | CATIA Systems**
2. Supply Chain Planner | QUINTIQ

# CATIA Systems | Design and Experiment Smart & Connected Objects

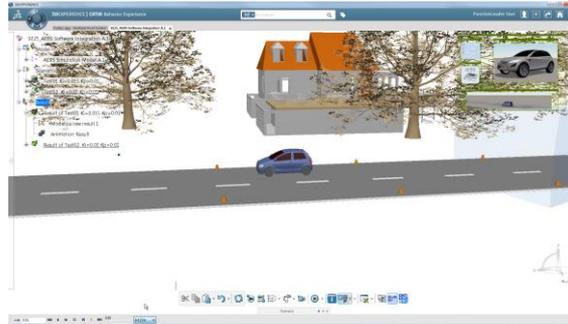
**Imagine** and **play** delightful 3D consumer **experiences**, before they exist



**System Innovation**



**Virtual Validation**



**Usage Experiences**



**Create and 3D experiment multi-physics multi-scale systems**

*“facilitating decision-making at conceptual stage, eliminating physical prototypes”*

# CATIA Systems | Modelon GmbH Acquisition

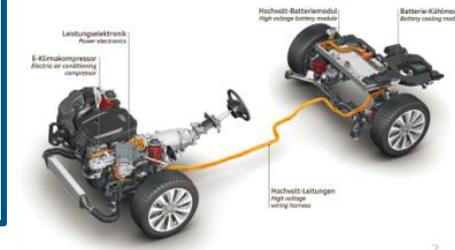
- **Company profile**
  - Provider of **ready-to-experience multi-physical Modelica content** with deep expertise in electrical power distribution and batteries
  - Privately-held company headquartered in Germany ~ 40 employees
  - Customers: car OEM including BMW, Porsche, ...
  - 2014 FY revenue: ~**€3 million** (service mainly)

- ▶ Complementing **CATIA System** and enabling the design of smart and connected products
- ▶ Enhancing **Transportation & Mobility Solution Experiences** such as Smart, Safe and Connected and optimizing electrical power

Battery Library



Electrical Powertrain Library



# CATIA Systems | Design & Experiment Energy Efficient Systems

VIRTUAL REAL



# CATIA Systems | Energy Efficient Systems at the City Level



In 2050, 70% of The World Will Be living in Cities

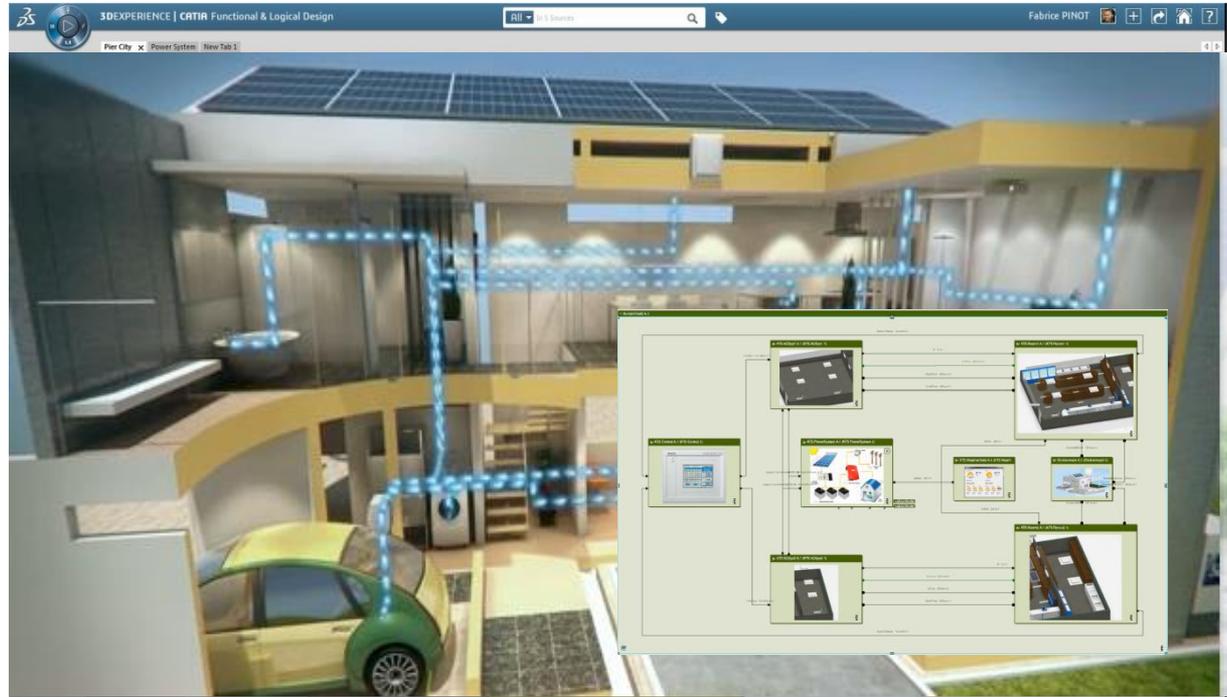
Smart Building at the heart of smart cities



Building share in global energy demand



## CATIA TO SHAPE THE WORLD WE LIVE IN



# Multiple Roles Offering Multiple Entry Points

## 2 Examples:

1. Systems Engineers | CATIA Systems
2. **Supply Chain Planner | QUINTIQ**

# Transport for London Adopts QUINTIQ



## Transport for London / London Underground

London Underground, better known as “the Tube,” has 11 lines covering 402 km and serving 270 stations. Opened in 1863, it is the world's oldest underground railway network, and one of the largest.

### Business Values

- Improving **organizational effectiveness** by integrating and optimizing workforce planning processes
- Improving **travelers' experience** by optimizing staff planning staff in a way that better supports the user's journey
- Improving **employee satisfaction, process sustainability** and **customer satisfaction**

### Solution

- **Quintiq Operations Planning and Optimization**

# Agenda

1

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2

Q1 15 Financial Highlights

3

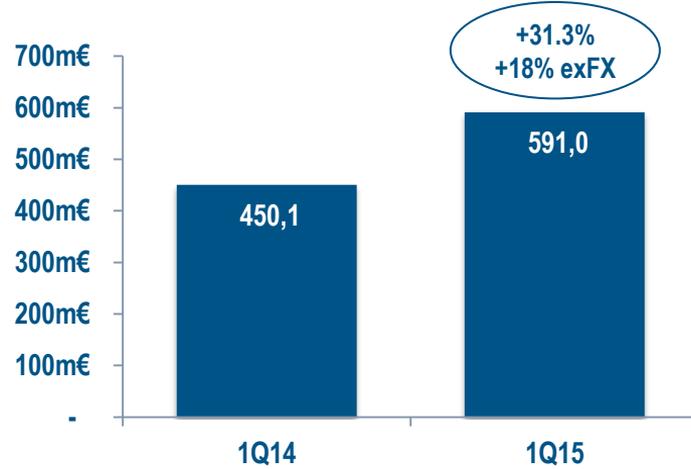
Q2 & FY15 Financial Objectives

4

Financial Information Appendix

# Software Revenue Growth Non-IFRS

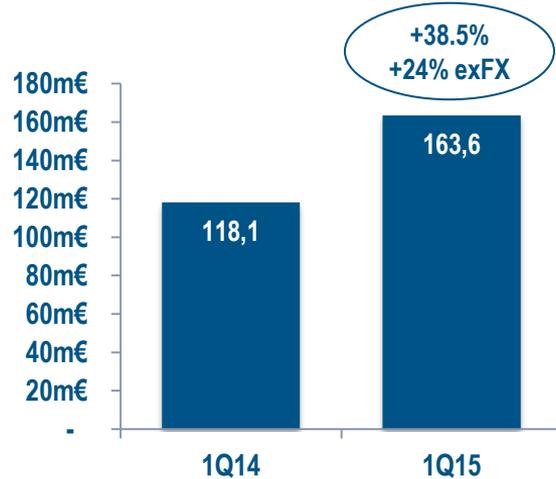
## Software Revenue



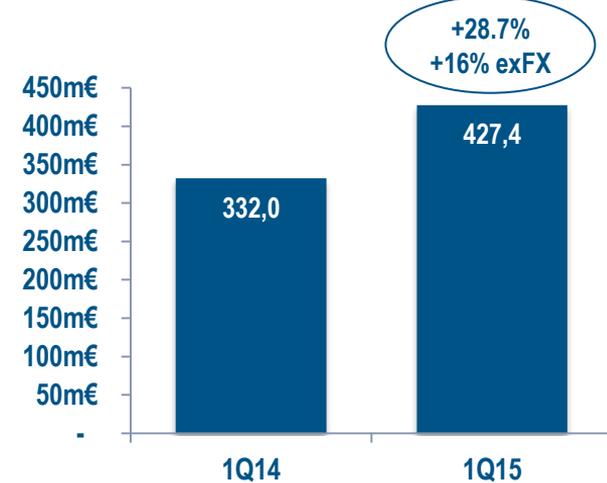
Organic software revenue up 9% exFX

# Software Revenue Growth Non-IFRS

## New Licenses Revenue



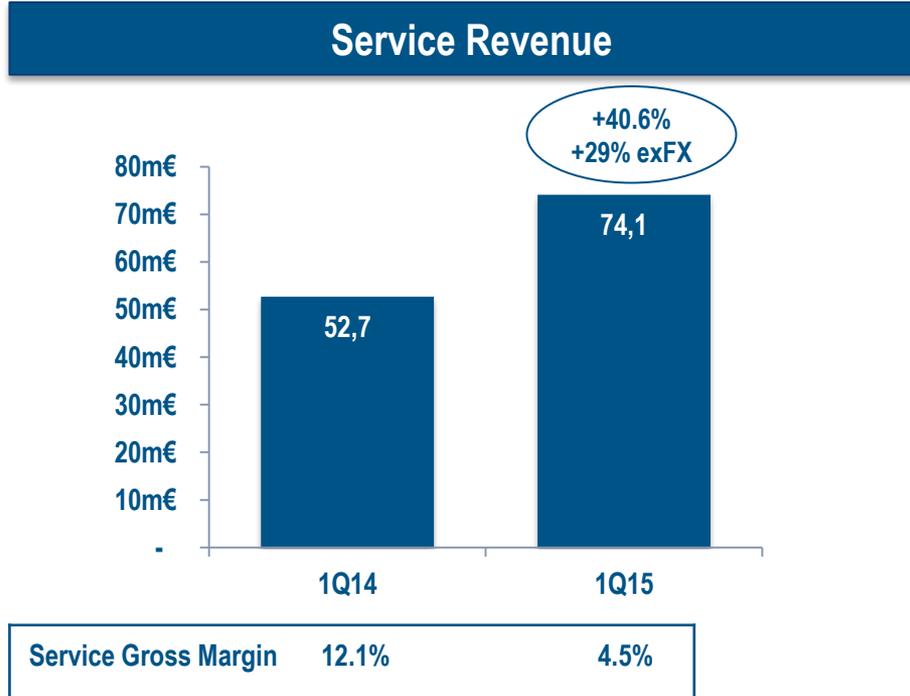
## Periodic & Maintenance and Other Software Revenue



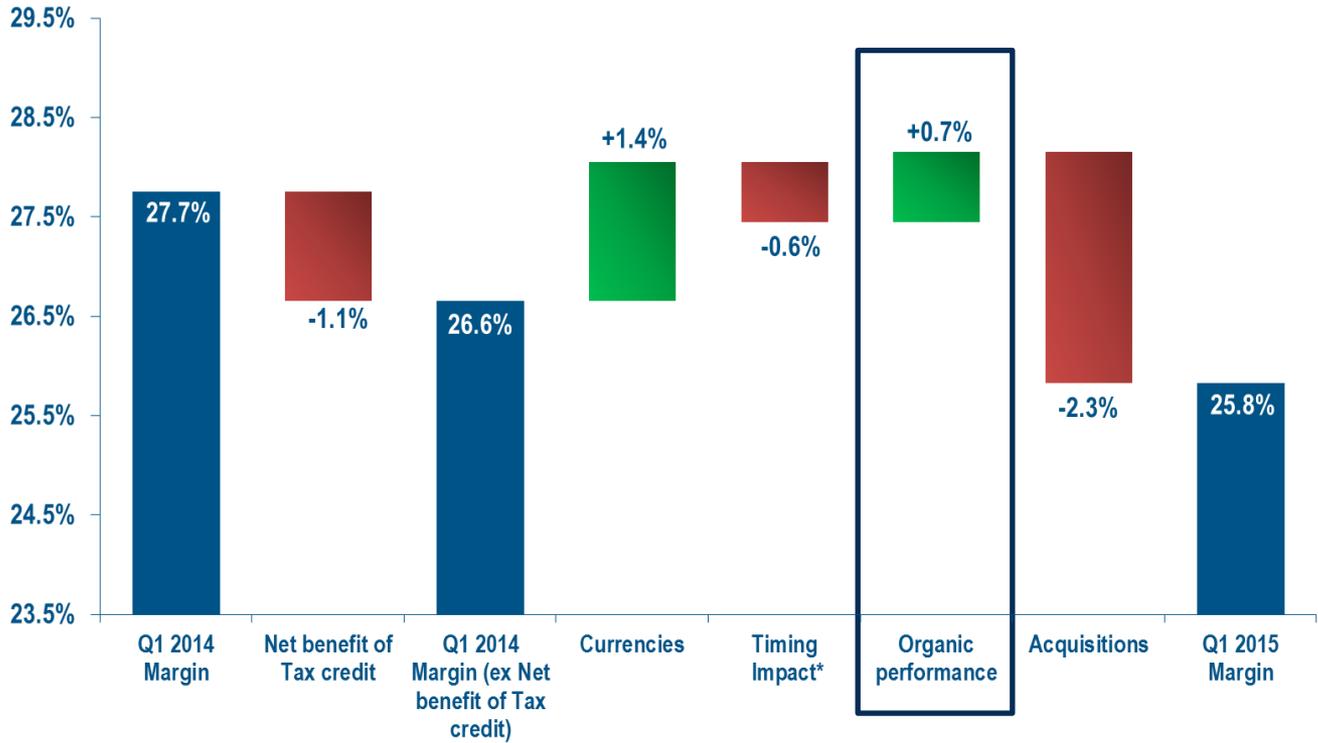
**Organic new licenses** revenue up **14%** exFX

**Organic recurring** revenue up **7%** exFX → Solid **maintenance** revenue

# Service Revenue & Margin Evolution Non-IFRS

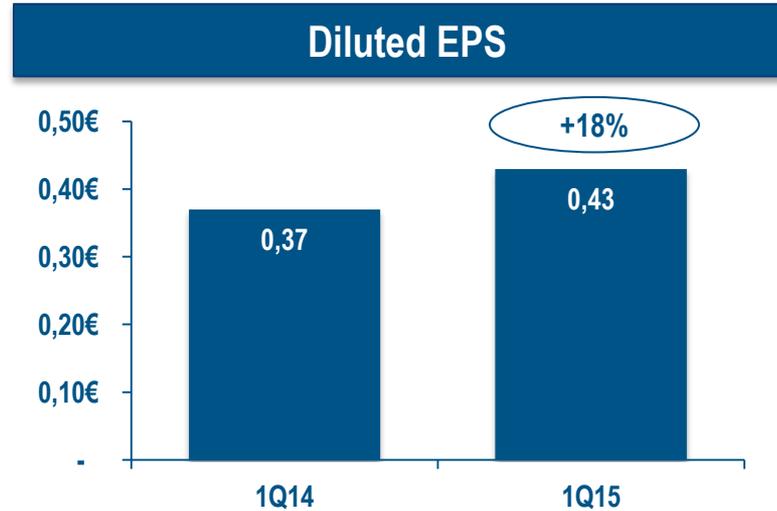


# Operating Margin Evolution Non-IFRS



\* Change in accounting for levies (IFRIC21) and timing impact on US holiday pay

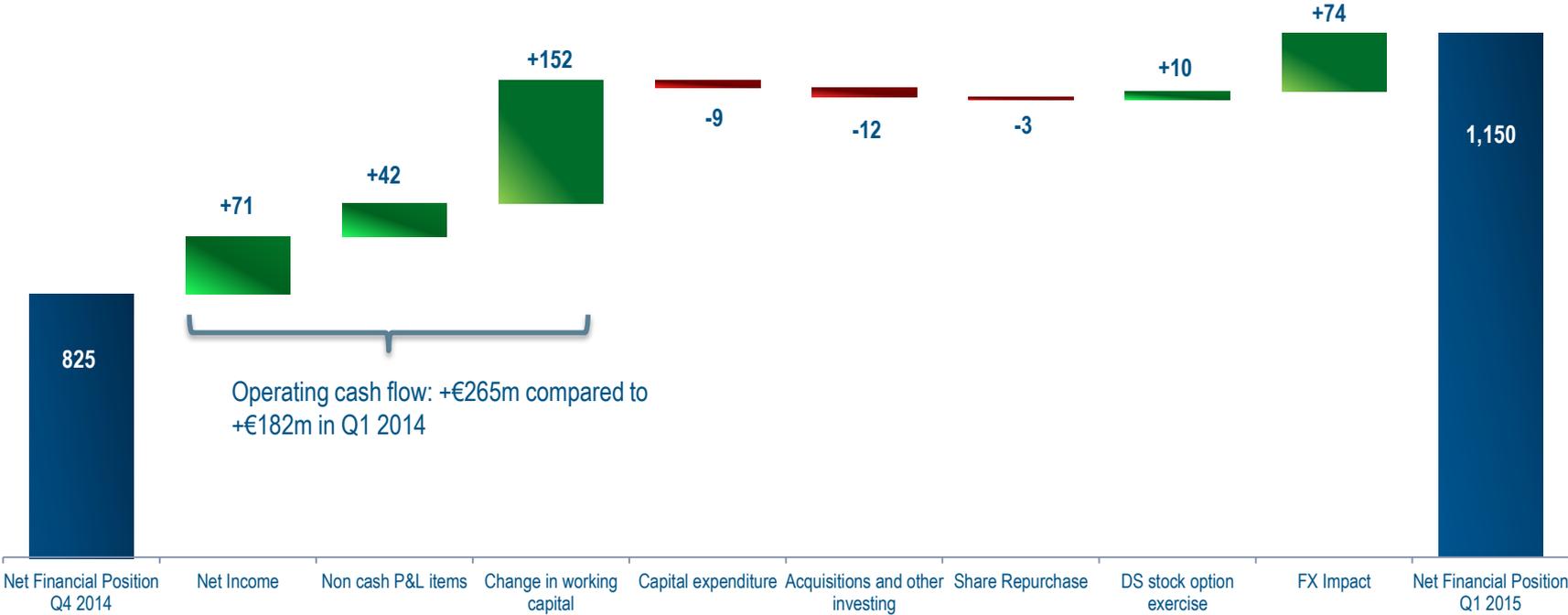
# EPS Non-IFRS



Strong **EPS** growth in spite of **one-time R&D tax credit** impact in Q1 2014 (-7 points)

Q1 2014 EPS adjusted to reflect the two-for-one stock split effected on July 17, 2014

# Change in Net Financial Position



Net financial position is defined as Cash and Cash Equivalents + Short Term Investments – Long-term debt

# Operating Cash Flow Evolution IFRS

€ million	Q1 15	Q1 14	Changes	
<b>Operating Cash Flow</b>	<b>+265</b>	<b>+182</b>	<b>+83</b>	
Net income adjusted for non cash items	+113	+102	+11	
Decrease in trade accounts receivable	+53	+35	+18	Up 5% exFX and excluding impact of acquisitions compared to Q1 2014
Increase in unearned revenue	+135	+87	+48	Up 8% exFX and excluding impact of acquisitions compared to Q1 2014
Decrease in accrued compensation	-8	-6	-2	
Decrease in accounts payable	-20	-6	-14	Timing impact as compared to Q4 2014
Decrease in income taxes payable	-1	-36	+35	Derived mainly from payment made in Q1 2014 in connection with ongoing tax proceedings (in Q2 2015 additional payment for €60m)
Other	-7	+6	-13	

**Operating Cash Flow** up **30%** excluding impact of ongoing tax proceeding in Q1 2014

# Agenda

1

Q4 & FY14 Business Review & Strategy Update

2

Q4 & FY14 Financial Highlights

3

Q1 & FY15 Financial Objectives

4

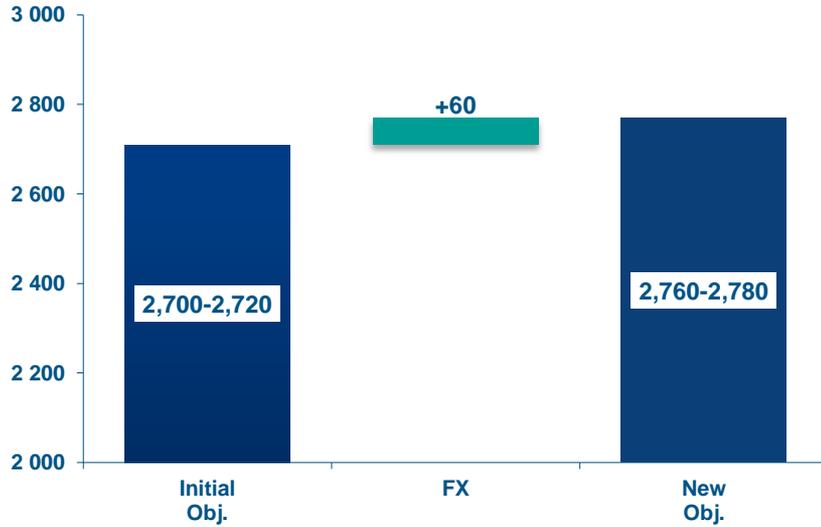
Financial Information Appendix

# Updating FY 2015 Guidance Non-IFRS

- Leaving **unchanged FY revenue growth** assumptions exFX
- Updating **US\$** and **JPY rate assumptions for the 3 remaining quarters**
  - from US\$1.20 per €1.00 to US\$1.15 → FY15 : US\$1.14
  - from JPY140.0 per €1.00 to JPY 135.0 → FY15 : JPY 134.8
- On this basis, targeting now **FY2015 EPS** growth up **+15-17%**

# Objectives Changes from February to April

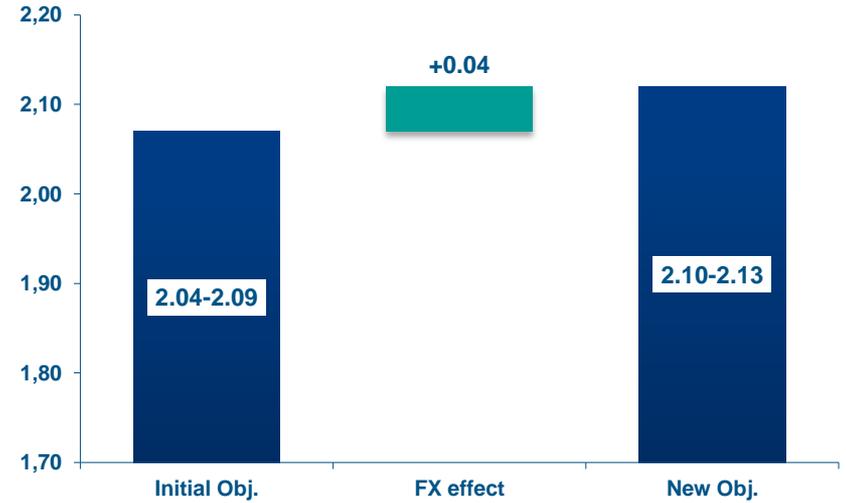
## Revenue variation



ex FX Growth: +11-12%

+11-12%

## EPS variation



Growth: +12-15%

+15-17%

# Proposed objectives Non-IFRS

	Q2 2015	FY 2015
Revenue (M€)	665-675	2,760-2,780
Growth	+17-18%	+18%
<b>Growth ex FX</b>	+8-10%	+11-12%
Operating Margin	~27.0%	~30.0%
<b>Operating Margin Growth</b>	<b>-2 to -1 pts</b>	<b>~+0.2 pt</b>
EPS (€)	0.45-0.47	2.10-2.13
<b>EPS Growth</b>	<b>+6-11%*</b>	<b>+15-17%</b>
€/\$ rates	1.15	1.14
€/¥ rates	135.0	134.8

- **Q2 2015**
  - ~€7m of exceptional recurring revenue in Q2 2014
- **FY 2015**
  - **Double-digit** organic **new licenses** revenue growth exFX
  - **Operating margin** of ~30.0% compared to 29.8% in 2014 thanks to continued focus on operational improvements
  - Solid **EPS** growth up **15-17%**

\* Q2 2014 EPS adjusted to reflect the two-for-one stock split effected on July 17, 2014

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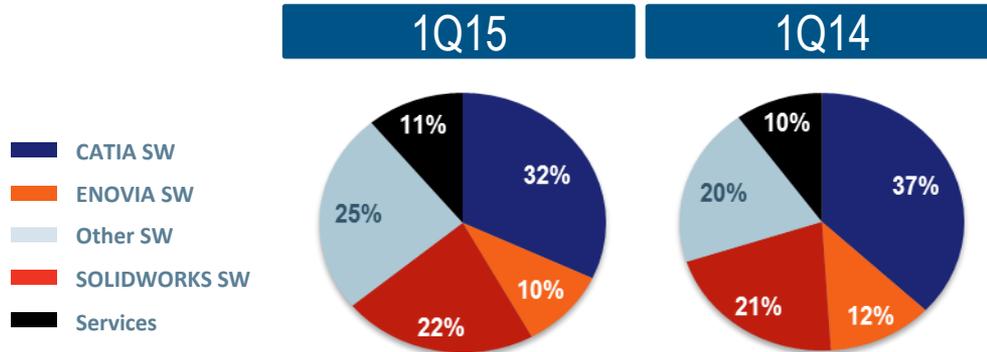
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Financial Information Appendix

# Revenue by Product Line

IFRS

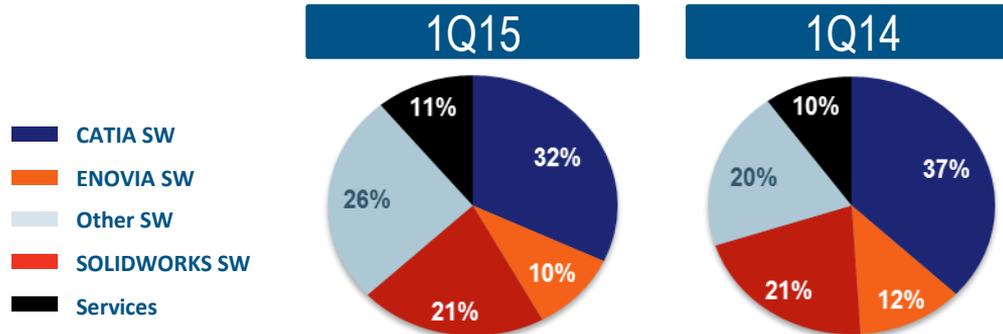
<i>in €m</i>	1Q15	1Q14	Growth	Growth ex FX
CATIA SW	210.6	187.5	+12.3%	+4%
ENOVIA SW	63.7	59.7	+6.7%	-4%
SOLIDWORKS SW	142.7	103.5	+37.9%	+17%
Other SW	161.2	98.9	+63.0%	+47%
Services	73.3	52.7	+39.1%	+27%
<b>Total Revenue</b>	<b>651.5</b>	<b>502.3</b>	<b>+29.7%</b>	<b>+17%</b>



# Revenue by Product Line

Non-IFRS

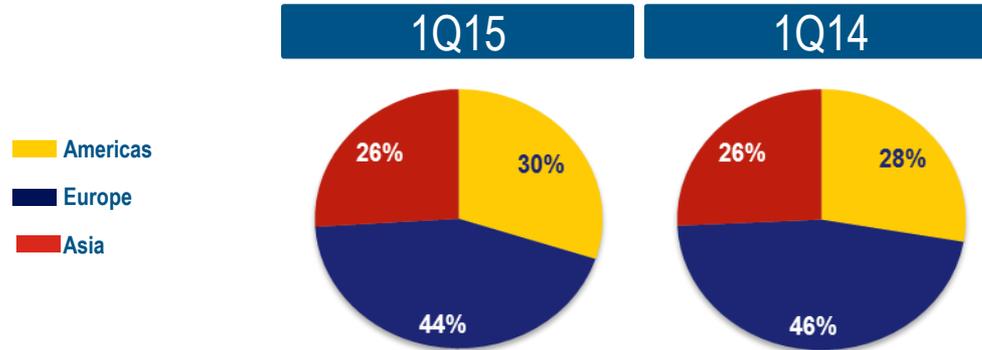
<i>in €m</i>	1Q15	1Q14	Growth	Growth ex FX
CATIA SW	210.6	187.5	+12.3%	+4%
ENOVIA SW	63.7	59.7	+6.7%	-4%
SOLIDWORKS SW	142.7	103.5	+37.9%	+17%
Other SW	174.0	99.4	+75.1%	+59%
Services	74.1	52.7	+40.6%	+29%
<b>Total Revenue</b>	<b>665.1</b>	<b>502.8</b>	<b>+32.3%</b>	<b>+19%</b>



# Revenue by Region

## IFRS

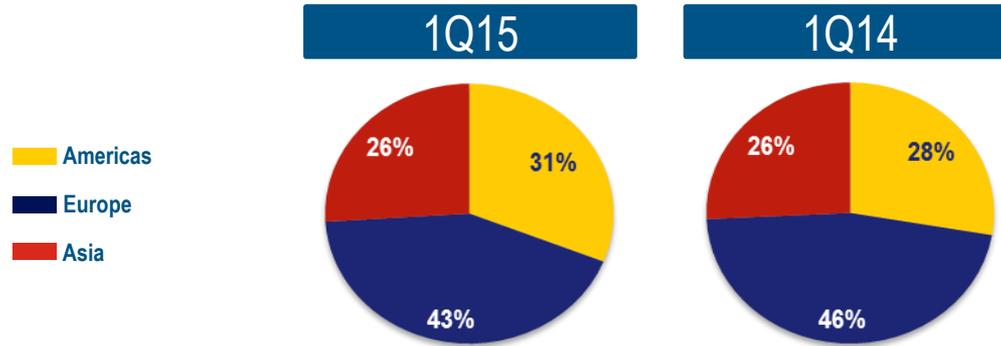
<i>in €m</i>	1Q15	1Q14	Growth	Growth ex FX
Americas	197.4	138.4	+42.6%	+18%
Europe	282.5	231.6	+22.0%	+16%
Asia	171.6	132.3	+29.7%	+17%
<b>Total Revenue</b>	<b>651.5</b>	<b>502.3</b>	<b>+29.7%</b>	<b>+17%</b>



# Revenue by Region

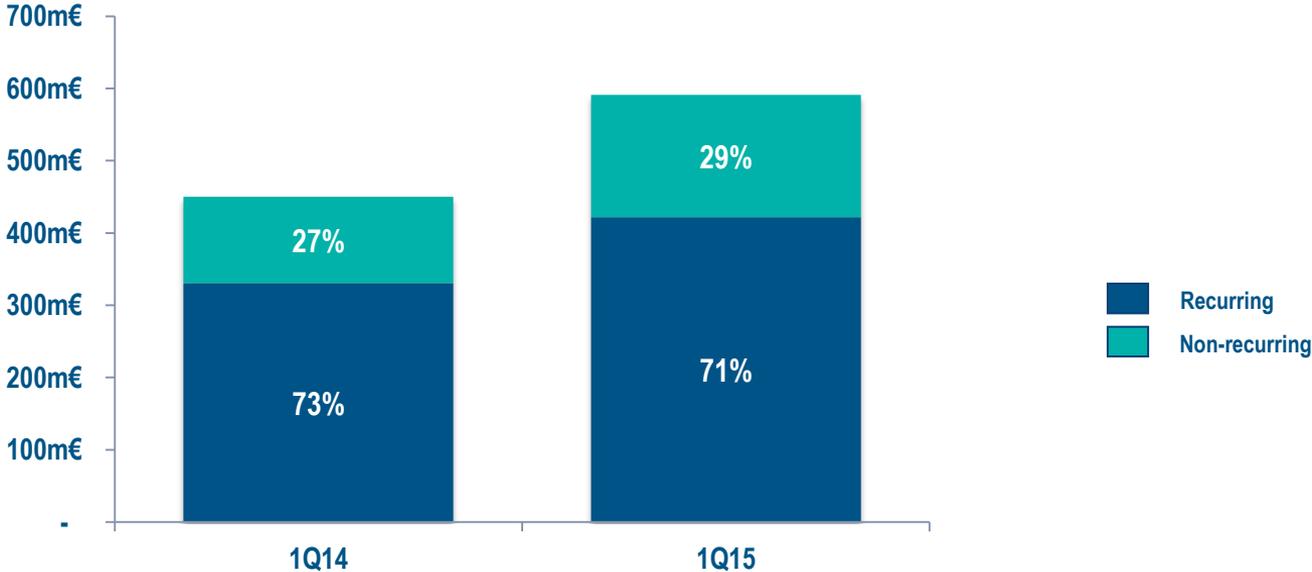
## Non-IFRS

<i>in €m</i>	1Q15	1Q14	Growth	Growth ex FX
Americas	204.3	138.4	+47.6%	+23%
Europe	287.0	232.1	+23.7%	+18%
Asia	173.8	132.3	+31.4%	+18%
<b>Total Revenue</b>	<b>665.1</b>	<b>502.8</b>	<b>+32.3%</b>	<b>+19%</b>



# Software Revenue Evolution

Non-IFRS



NB: Recurring software revenue excludes product development and other software revenue

# IFRS P&L

	Three months ended March		
	2015	2014	y/y
(In millions of €, except per share data)			
Software revenue	578.2	449.6	+28.6%
New licenses	156.5	118.1	+32.5%
Other software revenue	5.6	1.6	N/S
Periodic licenses and Maintenance	416.1	329.9	+26.1%
Service and other revenue	73.3	52.7	+39.1%
<b>Total revenue</b>	<b>651.5</b>	<b>502.3</b>	<b>+29.7%</b>
Cost of Software revenue	(36.7)	(24.8)	+48.0%
Cost of Service and other revenue	(70.8)	(46.4)	+52.6%
Research and development	(123.2)	(86.8)	+41.9%
Marketing and sales	(217.5)	(175.9)	+23.6%
General and administrative	(50.4)	(49.8)	+1.2%
Amortization of acquired intangibles	(40.1)	(27.5)	+45.8%
Other operating income and expense, net	(2.3)	(10.8)	(78.7%)
<b>Total operating expenses</b>	<b>(541.0)</b>	<b>(422.0)</b>	<b>+28.2%</b>
<b>Operating income</b>	<b>110.5</b>	<b>80.3</b>	<b>+37.6%</b>
Financial revenue and other, net	0.7	3.9	(82.1%)
Income tax expense	(40.2)	(30.1)	+33.6%
Non-controlling interest	(1.1)	(0.2)	N/S
<b>Net Income (to equity holders of the parent)</b>	<b>69.9</b>	<b>53.9</b>	<b>+29.7%</b>
<b>Diluted net income per share (EPS)</b>	<b>0.27</b>	<b>0.21</b>	<b>+28.6%</b>
Average diluted shares (Million)	255.6	255.2	

Q1 2014 EPS adjusted to reflect the two-for-one stock split effected on July 17, 2014

# IFRS P&L (%)

	Three months ended March	
	2015	2014
	<u>% of revenue</u>	
Software revenue	88.7%	89.5%
New licenses	24.0%	23.5%
Other software revenue	0.9%	0.3%
Periodic licenses and Maintenance	63.9%	65.7%
Service and other revenue	11.3%	10.5%
<b>Total revenue</b>	<b>100.0%</b>	<b>100.0%</b>
Cost of Software revenue	5.6%	4.9%
Cost of Service and other revenue	10.9%	9.2%
Research and development	18.9%	17.3%
Marketing and sales	33.4%	35.0%
General and administrative	7.7%	9.9%
Amortization of acquired intangibles	6.2%	5.5%
Other operating income and expense, net	0.4%	2.2%
<b>Total operating expenses</b>	<b>83.0%</b>	<b>84.0%</b>
<b>Operating income</b>	<b>17.0%</b>	<b>16.0%</b>
Financial revenue and other, net	0.1%	0.8%
<b>Income before income taxes</b>	<b>17.1%</b>	<b>16.8%</b>
<b>Income tax rate (% of IBIT)</b>	<b>36.1%</b>	<b>35.8%</b>
Non-controlling interest	-0.2%	0.0%
<b>Net Income (to equity holders of the parent)</b>	<b><u>10.7%</u></b>	<b><u>10.7%</u></b>

# Non-IFRS P&L

(In millions of €, except per share data)	Three months ended March		
	2015	2014	y/y
Software revenue	591.0	450.1	+31.3%
New licenses	163.6	118.1	+38.5%
Other software revenue	5.6	1.6	N/S
Periodic licenses and Maintenance	421.8	330.4	+27.7%
Service and other revenue	74.1	52.7	+40.6%
<b>Total revenue</b>	<b>665.1</b>	<b>502.8</b>	<b>+32.3%</b>
Cost of Software revenue	(36.6)	(24.3)	+50.6%
Cost of Service and other revenue	(70.8)	(46.3)	+52.9%
Research and development	(121.0)	(79.0)	+53.2%
Marketing and sales	(215.6)	(170.6)	+26.4%
General and administrative	(49.4)	(43.1)	+14.6%
<b>Total operating expenses</b>	<b>(493.4)</b>	<b>(363.3)</b>	<b>+35.8%</b>
<b>Operating income</b>	<b>171.7</b>	<b>139.5</b>	<b>+23.1%</b>
Financial revenue and other, net	0.7	3.9	(82.1%)
Income tax expense	(60.6)	(50.4)	+20.2%
Non-controlling interest	(1.1)	(0.4)	N/S
<b>Net Income</b> (to equity holders of the parent)	<b>110.7</b>	<b>92.6</b>	<b>+19.5%</b>
<b>Diluted net income per share (EPS)</b>	<b>0.43</b>	<b>0.37</b>	<b>+17.8%</b>
Average diluted shares (Million)	255.6	255.2	

Q1 2014 EPS adjusted to reflect the two-for-one stock split effected on July 17, 2014

# Non-IFRS P&L (%)

	Three months ended March	
	2015	2014
	<u>% of revenue</u>	
Software revenue	88.9%	89.5%
New licenses	24.6%	23.5%
Other software revenue	0.8%	0.3%
Periodic licenses and Maintenance	63.4%	65.7%
Service and other revenue	11.1%	10.5%
<b>Total revenue</b>	<b>100.0%</b>	<b>100.0%</b>
Cost of Software revenue	5.5%	4.8%
Cost of Service and other revenue	10.6%	9.2%
Research and development	18.2%	15.7%
Marketing and sales	32.4%	33.9%
General and administrative	7.4%	8.6%
<b>Total operating expenses</b>	<b>74.2%</b>	<b>72.3%</b>
<b>Operating income</b>	<b>25.8%</b>	<b>27.7%</b>
Financial revenue and other, net	0.1%	0.8%
<b>Income before income taxes</b>	<b>25.9%</b>	<b>28.5%</b>
<b>Income tax rate (% of IBIT)</b>	<b>35.2%</b>	<b>35.1%</b>
Non-controlling interest	-0.2%	-0.1%
<b>Net Income</b> (to equity holders of the parent)	<b><u>16.6%</u></b>	<b><u>18.4%</u></b>

# IFRS – Non-IFRS Reconciliation QTD

## Revenue and Gross Margin

	Three months ended March 31,						Increase (Decrease)	
	2015 IFRS	Adjustment (1)	2015 non-IFRS	2014 IFRS	Adjustment (1)	2014 non-IFRS	IFRS	Non-IFRS
<i>(€ million, except % and per share data)</i>								
<b>TOTAL REVENUE</b>	<b>651.5</b>	<b>13.6</b>	<b>665.1</b>	<b>502.3</b>	<b>0.5</b>	<b>502.8</b>	<b>29.7%</b>	<b>32.3%</b>
<b>Total Revenue breakdown by activity</b>								
Software revenue	578.2	12.8	591.0	449.6	0.5	450.1	+28.6%	+31.3%
<i>New Licenses revenue</i>	156.5	7.1	163.6	118.1			+32.5%	+38.5%
<i>Other software revenue</i>	5.6			1.6			+250.0%	
<i>Periodic and Maintenance revenue</i>	416.1	5.7	421.8	329.9	0.5	330.4	+26.1%	+27.7%
<i>Recurring portion of Software revenue</i>	72%		71%	73%		73%		
Service and other revenue	73.3	0.8	74.1	52.7			+39.1%	+40.6%
<b>Total Revenue breakdown by product line</b>								
CATIA SW revenue	210.6			187.5			+12.3%	
ENOVIA SW revenue	63.7			59.7			+6.7%	
SOLIDWORKS SW revenue	142.7			103.5			+37.9%	
Other SW revenue	161.2	12.8	174.0	98.9	0.5	99.4	+63.0%	+75.1%
Service and other revenue	73.3	0.8	74.1	52.7			+39.1%	+40.6%
<b>Total Revenue breakdown by geography</b>								
Americas revenue	197.4	6.9	204.3	138.4		138.4	+42.6%	+47.6%
Europe revenue	282.5	4.5	287.0	231.6	0.5	232.1	+22.0%	+23.7%
Asia revenue	171.6	2.2	173.8	132.3		132.3	+29.7%	+31.4%
<b>Gross Margin</b>								
Cost of Software revenue	(36.7)	0.1	(36.6)	(24.8)	0.5	(24.3)	+48.0%	+50.6%
Software Gross margin*	93.7%		93.8%	94.5%		94.6%		
Cost of Service and other revenue	(70.8)	0.0	(70.8)	(46.4)	0.1	(46.3)	+52.6%	+52.9%
Service Gross margin	3.4%		4.5%	12.0%		12.1%		

# IFRS – Non-IFRS Reconciliation QTD

## Expenses & Earnings

(€ million, except % and per share data)

	Three months ended March 31,						Increase (Decrease)	
	2015 IFRS	Adjustment (1)	2015 non-IFRS	2014 IFRS	Adjustment (1)	2014 non-IFRS	IFRS	Non-IFRS
<b>Total Operating Expenses</b>	<b>(541.0)</b>	<b>47.6</b>	<b>(493.4)</b>	<b>(422.0)</b>	<b>58.7</b>	<b>(363.3)</b>	<b>28.2%</b>	<b>35.8%</b>
Share-based compensation expense	(5.2)	5.2	-	(20.4)	20.4	-		
Amortization of acquired intangibles	(40.1)	40.1	-	(27.5)	27.5	-		
Other operating income and expense, net	(2.3)	2.3	-	(10.8)	10.8	-		
<b>Operating Income</b>	<b>110.5</b>	<b>61.2</b>	<b>171.7</b>	<b>80.3</b>	<b>59.2</b>	<b>139.5</b>	<b>+37.6%</b>	<b>23.1%</b>
<b>Operating Margin</b>	<b>17.0%</b>		<b>25.8%</b>	<b>16.0%</b>		<b>27.7%</b>		
Financial revenue & other, net	0.7		0.7	3.9	0.0	3.9	(82.1%)	(82.1%)
Income tax expense	(40.2)	(20.4)	(60.6)	(30.1)	(20.3)	(50.4)	+33.6%	+20.2%
Non-controlling interest	(1.1)	0.0	(1.1)	(0.2)	(0.2)	(0.4)	+450.0%	+175.0%
<b>Net Income attributable to shareholders</b>	<b>69.9</b>	<b>40.8</b>	<b>110.7</b>	<b>53.9</b>	<b>38.7</b>	<b>92.6</b>	<b>+29.7%</b>	<b>+19.5%</b>
<b>Diluted net income per share, in €</b>	<b>0.27</b>	<b>0.16</b>	<b>0.43</b>	<b>0.21</b>	<b>0.16</b>	<b>0.37</b>	<b>+28.6%</b>	<b>+17.8%</b>

(€ million)

	Three months ended March 31,					
	2015 IFRS	Adjust.	2015 non-IFRS	2014 IFRS	Adjust.	2014 non-IFRS
Cost of revenue	(107.5)	0.1	(107.4)	(71.2)	0.6	(70.6)
Research and development	(123.2)	2.2	(121.0)	(86.8)	7.8	(79.0)
Marketing and sales	(217.5)	1.9	(215.6)	(175.9)	5.3	(170.6)
General and administrative	(50.4)	1.0	(49.4)	(49.8)	6.7	(43.1)
<b>Total Share-based compensation expense</b>		<b>5.2</b>			<b>20.4</b>	

# Financial Revenue & Other

Non-IFRS

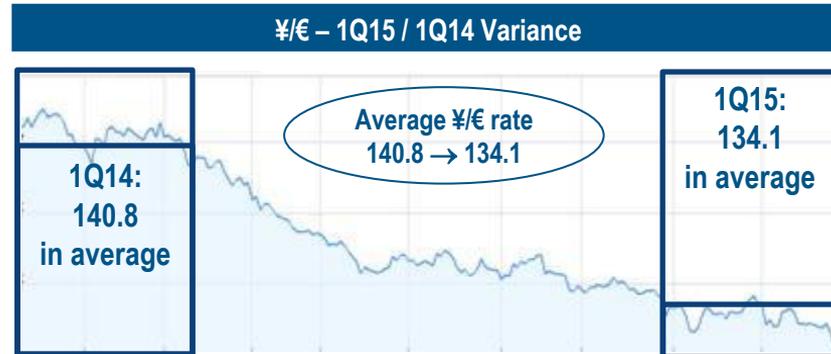
€m	1Q15	1Q14	var
Interest Income	6.0	7.7	(1.7)
Interest Expense	(1.5)	(1.1)	(0.4)
Financial net Income	4.5	6.6	(2.1)
Exchange Gain / Loss	(3.4)	(2.8)	(0.6)
Other Income / Loss	(0.4)	0.1	(0.5)
Total	0.7	3.9	(3.2)

# Exchange Rate evolution

From assumptions to actual data

Breakdown of P&L by currency for YTD15		
	USD	JPY
<b>Revenue</b> <i>(As a % of Revenue)</i>	36.5%	12.9%
<b>Operating Expenses</b> <i>(As a % of Expenses)</i>	36.8%	4.2%

Average Exchange rates				
		2015	2014	% change
YTD	USD	1.13	1.37	-18%
	JPY	134.1	140.8	-5%



# Comparing 1Q15 with mid-range Objectives

## Non-IFRS

	Revenue	Operating Expenses	Operating Profit	Operating Margin
<b>1Q15 Guidances mid-range Growth YoY</b>	<b>615.0</b> <b>+22.3%</b>	<b>(467.4)</b> <b>+28.7%</b>	<b>147.6</b> <b>+5.8%</b>	<b>24.0%</b> <b>-3.7pt</b>
\$ Impact on Rev./Exp.	18.3	(10.7)	7.6	+0.5pt
JPY Impact on Rev./Exp.	3.4	(0.9)	2.5	+0.3pt
Other incl. GBP, WON, and other currencies and Hedging	8.2	(3.6)	4.6	+0.4pt
<b>Total FX</b>	<b>29.9</b>	<b>(15.2)</b>	<b>14.7</b>	<b>+1.2pt</b>
<b>Activity / Cost Control / Other</b>	<b>20.2</b>	<b>(10.8)</b>	<b>9.4</b>	<b>+0.6pt</b>
<b>Delta: Reported vs guidances</b>	<b>50.1</b>	<b>(26.0)</b>	<b>24.1</b>	<b>+1.8pt</b>
<b>1Q15 Reported Growth YoY</b>	<b>665.1</b> <b>+32.3%</b>	<b>(493.4)</b> <b>+35.8%</b>	<b>171.7</b> <b>+23.1%</b>	<b>25.8%</b> <b>-1.9pt</b>
<b>1Q14 Reported</b>	<b>502.8</b>	<b>(363.3)</b>	<b>139.5</b>	<b>27.7%</b>

# Estimated FX impact on 1Q15 Op. Results

Non-IFRS

€ millions QTD	Total Revenue	Operating Expenses	Operating Income	Operating Margin
1Q15 Reported	665.1	(493.4)	171.7	25.8%
1Q14 Reported	502.8	(363.3)	139.5	27.7%
<i>Growth as reported</i>	+32.3%	+35.8%	+23.1%	-1.9 pt
<b>Impact of Actual Currency Rates</b>				
USD impact	39.7	(26.6)	13.1	
JPY impact	3.5	(0.9)	2.6	
Other currencies impact and Hedging	11.2	(3.7)	7.5	
<b>Total FX Impact adjustment</b>	<b>54.4</b>	<b>(31.2)</b>	<b>23.2</b>	
1Q14 @ 1Q15 rates	557.2	(394.5)	162.7	29.2%
<i>Growth exFX</i>	+19%	+25%	+6%	-3.4 pt

# Balance Sheet

## IFRS

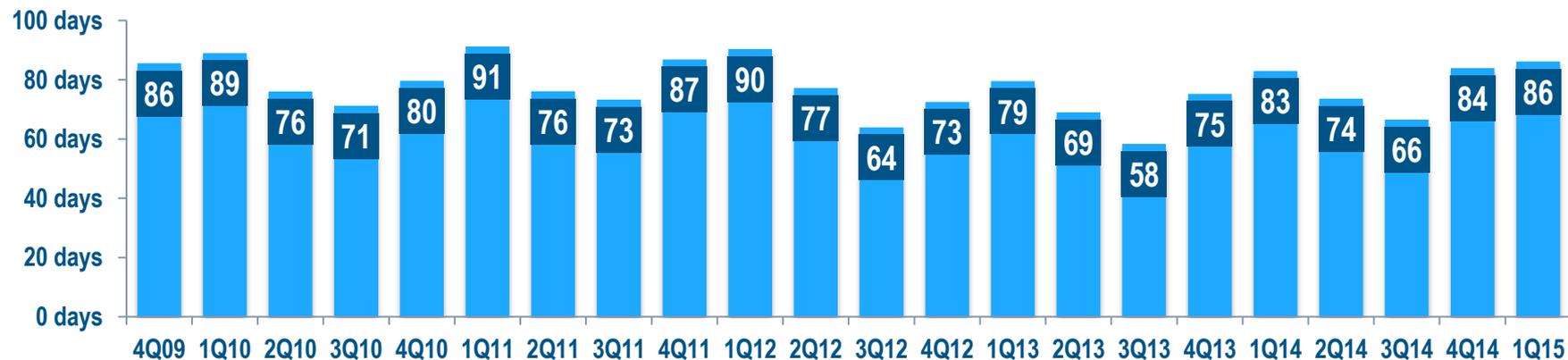
(in millions of €)	End of Mar-15	End of Dec-14	Variation Mar-15 / Dec-14	End of Mar-14	Variation Mar-15 / Mar-14
Cash and cash equivalents	1,412.5	1,104.2	+308.3	1,665.2	-252.7
Short-term investments	87.4	71.3	+16.1	109.3	-21.9
Accounts receivable, net	624.9	627.7	-2.8	462.6	+162.3
Other current assets	196.7	176.4	+20.3	175.1	+21.6
<b>Total current assets</b>	<b>2,321.5</b>	<b>1,979.6</b>	<b>+341.9</b>	<b>2,412.2</b>	<b>-90.7</b>
<b>Property and equipment, net</b>	<b>143.1</b>	<b>136.7</b>	<b>+6.4</b>	<b>102.7</b>	<b>+40.4</b>
<b>Goodwill and Intangible assets, net</b>	<b>2,859.1</b>	<b>2,702.6</b>	<b>+156.5</b>	<b>1,706.2</b>	<b>+1,152.9</b>
<b>Other non current assets</b>	<b>160.1</b>	<b>149.2</b>	<b>+10.9</b>	<b>129.3</b>	<b>+30.8</b>
<b>Total Assets</b>	<b>5,483.8</b>	<b>4,968.1</b>	<b>+515.7</b>	<b>4,350.4</b>	<b>+1133.4</b>
Accounts payable	118.4	130.3	-11.9	85.8	+32.6
Unearned revenue	839.6	636.8	+202.8	580.7	+258.9
Short-term debt	11.2	10.0	+1.2	20.4	-9.2
Other current liabilities	364.4	362.1	+2.3	298.5	+65.9
<b>Total current liabilities</b>	<b>1,333.6</b>	<b>1,139.2</b>	<b>+194.4</b>	<b>985.4</b>	<b>+348.2</b>
Long-term debt	350.0	350.0	0.0	360.5	-10.5
Other non current obligations	541.3	519.4	+21.9	356.1	+185.2
<b>Total long-term liabilities</b>	<b>891.3</b>	<b>869.4</b>	<b>+21.9</b>	<b>716.6</b>	<b>+174.7</b>
<b>Non-controlling interest</b>	<b>20.8</b>	<b>16.0</b>	<b>+4.8</b>	<b>33.4</b>	<b>-12.6</b>
<b>Parent Shareholders' equity</b>	<b>3,238.1</b>	<b>2,943.5</b>	<b>+294.6</b>	<b>2,615.0</b>	<b>+623.1</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>5,483.8</b>	<b>4,968.1</b>	<b>+515.7</b>	<b>4,350.4</b>	<b>+1133.4</b>

# Consolidated Statement of Cash Flows

(in millions of €)	Q1-15	Q1-14	Variation
Net income attributable to equity holders of the parent	69.9	53.9	16.0
Non-controlling interest	1.1	0.2	0.9
Net income	71.0	54.1	16.9
Depreciation of property & equipment	10.4	8.2	2.2
Amortization of intangible assets	42.2	29.1	13.1
Other non cash P&L items	(10.2)	11.3	(21.5)
Changes in working capital	151.8	79.6	72.2
<b>Net Cash Provided by (Used in) Operating Activities (I)</b>	<b>265.2</b>	<b>182.3</b>	<b>82.9</b>
Additions to property, equipment and intangibles	(9.0)	(4.8)	(4.2)
Payment for acquisition of businesses, net of cash acquired	(6.7)	(159.9)	153.2
Sale (Purchase) of short-term investments, net	(10.0)	(43.2)	33.2
Investments, loans and others	(5.0)	(4.8)	(0.2)
<b>Net Cash Provided by (Used in) Investing Activities (II)</b>	<b>(30.7)</b>	<b>(212.7)</b>	<b>182.0</b>
(Purchase) Sale of treasury stock	(3.5)	(53.5)	50.0
Proceeds from exercise of stock-options	10.2	13.3	(3.1)
<b>Net Cash Provided by (Used in) Financing Activities (III)</b>	<b>6.7</b>	<b>(40.2)</b>	<b>46.9</b>
Effect of exchange rate changes on cash and cash equivalents (IV)	67.1	(2.1)	69.2
<b>Increase (Decrease) in Cash (V) = (I)+(II)+(III)+(IV)</b>	<b>308.3</b>	<b>(72.7)</b>	<b>381.0</b>
Cash and cash equivalents at Beginning of Period	1,104.2	1,737.9	
<b>Cash and cash equivalents at End of Period</b>	<b>1,412.5</b>	<b>1,665.2</b>	
Cash and cash equivalents variation	308.3	(72.7)	

# Trade Accounts Receivable / DSO

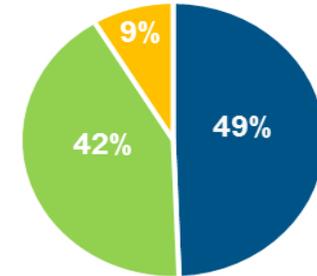
IFRS



# Headcount by destination

Closing H/C – March 2015

At Closing - TOTAL					
	Mar-15	Mar-14	% growth	Dec-14	% growth
M&S + COR Ser	6,626	5,551	+19%	6,596	+0%
R&D + COR SW	5,628	4,857	+16%	5,562	+1%
G&A	1,155	1,016	+14%	1,187	-3%
<b>Total</b>	<b>13,409</b>	<b>11,424</b>	<b>+17%</b>	<b>13,345</b>	<b>+0%</b>



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

# IFRS 2015 Objectives

## Accounting elements not included in the non-IFRS 2015 Objectives

- FY 2015 estimated **deferred revenue** write-down of **~€38m**
- FY 2015 estimated **share-based compensation** expenses: **~€19m**
- FY 2015 estimated **amortization of acquired intangibles**: **~€160m**
- The above objectives do not include any impact from other operating income and expense, net principally comprised of acquisition, integration and restructuring expenses.
- These estimates do not include any new stock option or share grants, or any new acquisitions or restructurings completed after April 23, 2015.

