



# DASSAULT SYSTÈMES

Q1 2023 Earnings Presentation



3DEXPERIENCE®

**Bernard Charlès**

Chairman & CEO

**Pascal Daloz**

Deputy CEO & COO

**Rouven Bergmann**

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 Group'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 Group's actual results or performance may be materially negatively affected by numerous risks and uncertainties, as described in the "Risk Factors" section 1.9 of the 2022 Universal Registration Document ("Document d'enregistrement universel") filed with the AMF (French Financial Markets Authority) on March 17, 2023, available on the Group's website [www.3ds.com](http://www.3ds.com).

In particular, please refer to the risk factor "Uncertain Global Economic Environment" in section 1.9.1.1 of the 2022 Universal Registration Document set out below for ease of reference:

"In light of the uncertainties regarding economic, business, social, health, climate and geopolitical conditions at the global level, Dassault Systèmes' revenue, net earnings and cash flows may grow more slowly, whether on an annual or quarterly basis, mainly due to the following factors:

- the deployment of Dassault Systèmes' solutions may represent a large portion of a customer's investments in software technology. Decisions to make such an investment are impacted by the economic environment in which the customers operate. Uncertain global geopolitical, economic and health conditions and the lack of visibility or the lack of financial resources may cause some customers, e.g. within automotive, aerospace or natural resources industries, to reduce, postpone or terminate their investments, or to reduce or not renew ongoing paid maintenance for their installed base, which impact larger customers' revenue with their respective sub-contractors;
- the political, economic and monetary situation in certain geographic regions where Dassault Systèmes operates could become more volatile and impact Dassault Systèmes' business, for example, due to stricter export compliance rules or the introduction of new customs tariffs;
- continued pressure or volatility on raw materials and energy prices could also slow down Dassault Systèmes' diversification efforts in new industries;
- current inflation forecasts, as well as uncertainties regarding the extent and duration of this trend, could adversely affect the financial condition of Dassault Systèmes; and
- the sales cycle of the Dassault Systèmes' products – already relatively long due to the strategic nature of such investments for customers – could further lengthen.

The occurrence of crises – health and political crises in particular – could have consequences for the health and safety of Dassault Systèmes' employees. It could also adversely impact the financial situation or financing capabilities of Dassault Systèmes' existing and potential customers, commercial and technology partners, some of whom may be forced to temporarily close sites or cease operations. A deteriorating economic environment could generate increased price pressure and affect the collection of receivables, which would negatively impact Dassault Systèmes' revenue, financial performance and market position.

Dassault Systèmes makes every effort to take into consideration this uncertain macroeconomic outlook. Dassault Systèmes' business results, however, may not develop as anticipated. Furthermore, due to factors affecting sales of Dassault Systèmes' 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 Group has in particular assumed an average US dollar to euro exchange rate of US\$1.10 per €1.00 as well as an average Japanese yen to euro exchange rate of JPY140.0 to €1.00 before hedging for the second quarter and an average US dollar to euro exchange rate of US\$1.09 per €1.00 as well as an average Japanese yen to euro exchange rate of JPY140.5 to €1.00 before hedging the full year 2023. However, currency values fluctuate, and the Group's results may be significantly affected by changes in exchange rates.

# NON-IFRS INFORMATION

Readers are cautioned that the supplemental non-IFRS financial information presented in this earnings presentation is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered in isolation from or as a substitute for IFRS measurements. The supplemental non-IFRS financial information should be read only in conjunction with the Company's consolidated financial statements prepared in accordance with IFRS. Furthermore, the Group's supplemental non-IFRS financial information may not be comparable to similarly titled "non-IFRS" measures used by other companies. Specific limitations for individual non-IFRS measures are set forth in the Company's 2022 Universal Registration Document filed with the AMF on March 17, 2023.

In the tables accompanying this presentation the Group 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 and of tangibles reevaluation, other operating income and expense, net, including the acquisition, integration and restructuring expenses, and impairment of goodwill and acquired intangible assets, the effect of adjusting lease incentives of acquired companies, 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.

# GLOSSARY OF DEFINITIONS

## Information in Constant Currencies

Dassault Systèmes have followed a long-standing policy of measuring our revenue performance and setting our revenue objectives exclusive of currency in order to measure in a transparent manner the underlying level of improvement in our total revenue and software revenue by activity, industry, geography and product lines. We believe it is helpful to evaluate our growth exclusive of currency impacts, particularly to help understand revenue trends in our business. Therefore, we provide percentage increases or decreases in our revenue and expenses (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 by us "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.

While constant currencies calculations are not considered to be an IFRS measure, we do believe these measures are critical to understanding our global revenue results and to compare with many of our competitors who report their financial results in U.S. dollars. Therefore, we are including this calculation for comparing IFRS revenue figures for comparable periods as well as for comparing non-IFRS revenue figures for comparable periods. All information at constant exchange rates are expressed as a rounded percentage and therefore may not precisely reflect the absolute figures.

## Information on Growth excluding acquisitions ("organic growth")

In addition to financial indicators on the entire Group's scope, Dassault Systèmes provides growth excluding acquisitions effect, also named organic growth. In order to do so, the data relating to the scope is restated excluding acquisitions, from the date of the transaction, over a period of 12 months.

## Information on Industrial Sectors

Dassault Systèmes' Industries develop Solution Experiences, industry-focused offerings that deliver specific value to companies and users in a particular industry. We serve eleven industries structured into three sectors:

- **Manufacturing industries Sector:** Transportation & Mobility; Aerospace & Defense; Marine & Offshore; Industrial Equipment; High-Tech; Home & Lifestyle; Consumer Packaged Goods & Retail. In Manufacturing Industries, Dassault Systèmes help customers virtualize their operations, improve data sharing and collaboration across their organization, reducing costs and time to market, and becoming more sustainable;
- **Life Sciences & Healthcare Sector:** Life Sciences & Healthcare. In this sector, the Group aims to address the entire cycle of the patient journey to lead the way toward precision medicine. To reach the broader healthcare ecosystem from Research to commercial, the Group's solutions connect all elements from molecule development to prevention to care, and combine new therapeutics, med practices, and med-tech.;
- **Infrastructure & Cities Sector:** Infrastructure, Energy & Materials; Architecture, Engineering & Construction; Cities, Public & Business Services. In Infrastructure & Cities, the Group supports the virtualization of the sectors in making the construction industry more efficient and sustainable.

## GEOs

Eleven GEOs are responsible for driving the development of our business and implementing our customer centric engagement model. Teams leverage strong network of local customers, users, partners, and influencers.

These GEOs are structured into 3 groups:

- the "Americas" group, made of 2 GEOs;
- the group named "Europe", comprising Europe, Middle East and Africa (EMEA) and made of 4 GEOs;
- the group named "Asia", comprising Asia and Oceania and made of 5 GEOs.

## Information on Product Lines

Our product lines financial reporting include the following financial information: 1) **Industrial Innovation** software revenue, comprised of our CATIA, ENOVIA, SIMULIA, DELMIA, GEOVIA, NETVIBES, and 3DEXCITE brands; 2) **Life Sciences** software revenue, comprised of our MEDIDATA and BIOVIA brands; 3) **Mainstream Innovation** software revenue, comprised of our CENTRIC PLM and 3DVIA brands, as well as our 3DEXPERIENCE WORKS family which includes the SOLIDWORKS brand.

## 3DEXPERIENCE Licenses and Software Contribution

To measure the progressive penetration of 3DEXPERIENCE software, we utilize the following ratios: a) for Licenses revenue, we calculate the percentage contribution by comparing total 3DEXPERIENCE Licenses revenue to Licenses revenue for all product lines except SOLIDWORKS on premise, MEDIDATA, CENTRIC PLM and other acquisitions ("defined as "3DEXPERIENCE Eligible Licenses revenue""); b) for software revenue, the Group calculates the percentage contribution by comparing total 3DEXPERIENCE software revenue to software revenue for all product lines except SOLIDWORKS on premise, MEDIDATA, CENTRIC PLM and other acquisitions (defined as "3DEXPERIENCE Eligible software revenue").

## Cloud Revenue

Cloud revenue corresponds to revenue generated through a catalog of online services and managed services to run cloud solutions on behalf of the customer delivered by Dassault Systèmes via a cloud infrastructure hosted by Dassault Systèmes, or by third party providers of cloud computing infrastructure services. This offering is available through different deployment methods: Public cloud, Private cloud, Dedicated cloud. All cloud applications can be offered through perpetual licenses and maintenance or subscriptions models.

## IFRS EBITDAO (Earnings Before Interest, Taxes and Amortization Operating)

The IFRS EBITDAO corresponds to the IFRS operating income adjusted of amortization, depreciation and impairment expense of intangible and tangible assets and of non-cash share-based payment expense (excluding related social charges).

## Adjusted net debt definition

The Adjusted Net Debt corresponds to the net financial debt position (borrowings net of cash, cash equivalent and short-term investments) adjusted of IFRS 16 lease liabilities.

# Q1 2023 AT A GLANCE

Non-IFRS – All growth ex FX

## Q1 FINANCIAL RESULTS\*

**Solid start of the year** while total revenue up 7%:

- **Recurring** revenue up **10%** and **subscription** up **14%**
- **3DEXPERIENCE** up **10%** and **cloud** up **17%**
- **Cash from operations** up **24%**, now deleveraged
- **Operating Margin** at **31.0%** with **headcount** up **8%**

...despite slower start in China, pick-up since March only

## 2023 FINANCIAL OBJECTIVES

Reaffirming our objectives for the full year:

- **Total & Software** revenue growth up **8-9%**
- **EPS** on track to achieve **€1.20**

## OUR LEGACY

Long-term vision has driven:

- **Game-changing innovation**
- **Customer** relationships, trust and cooperation

## OUR AMBITION

Laying the foundations for our next 2040 horizon:

- Virtual Twin Experiences for a **Sustainable World**

# AGENDA

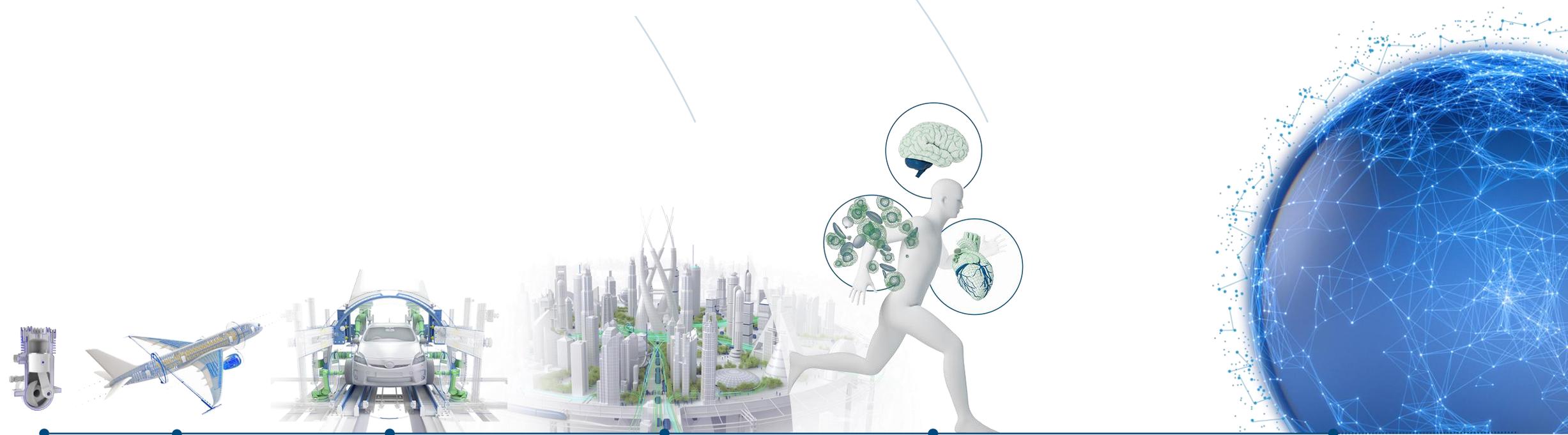
Vision and Trends

Operational Highlights

Financial Highlights & Objectives

Financial Information Appendix

# OUR LEGACY – HERITAGE AND AMBITION



1981  
**3D Design**

1989  
**3D DMU**  
Digital Mock-up

1999  
**3D PLM**  
Product Lifecycle Management



2012  
**3DEXPERIENCE® platform**

2020  
Virtual Twin Experience of **Humans**



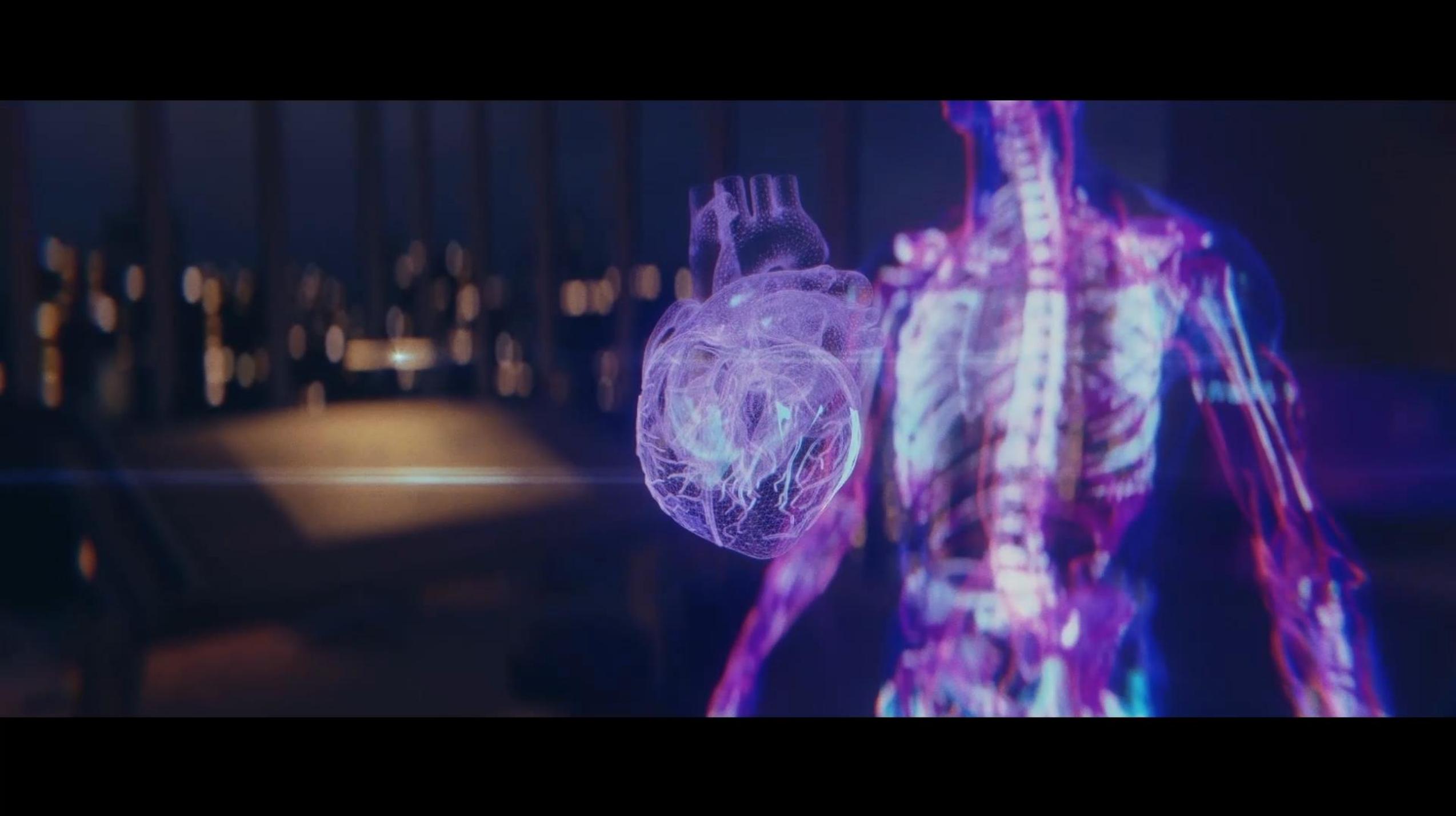
2040  
Virtual Twin Experiences for a **Sustainable World**

INDUSTRY

EXPERIENCE

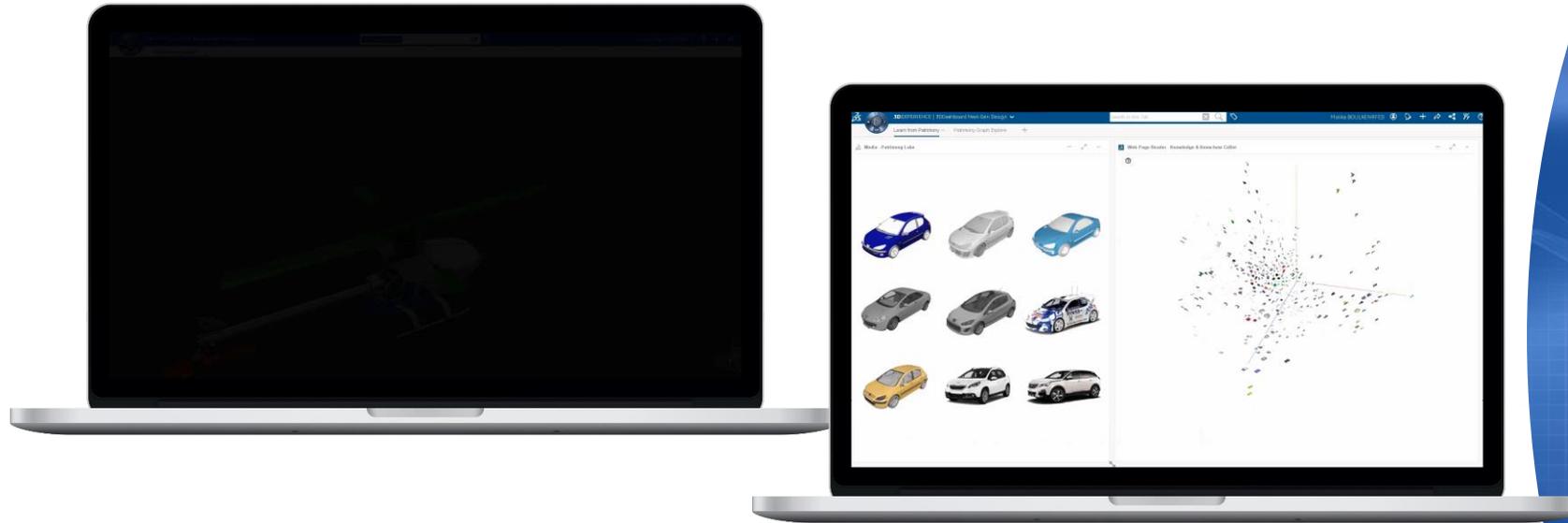
HUMAN

METAMORPHOSIS



# 3DEXPERIENCE WORLD 2023

## THE NEW WORLD OF DESIGN



**IMAGINE**  
3DEXPERIENCE  
WORLD 2023

**“ELEVATE YOUR INTELLECTUAL  
PROPERTY”**

# INNOVATION FOR ALL WITH 3DEXPERIENCE ON THE CLOUD

## 1Q 2023 cloud new logos

The image displays a world map with various company logos overlaid on different geographical regions, representing global adoption of 3DEXPERIENCE on the cloud in Q1 2023. The logos are organized into three main columns across the map.

**Column 1 (North America & Europe):**

- nimbus
- GEON
- Geothermic Solution
- ENGITECH ENGINEERING TECHNOLOGY
- LCT | UPCAST®
- SUNU HIGHTECH SOLUTION
- SONOCHARGE
- MIGHTY Fly
- IATEC INDUSTRIA AUSTRAL DE TECNOLOGIA
- KOKUBUN LTD.
- ATACAMA
- YKK AP
- MARTIN MOTOR SPORTS
- DESIGN STATION
- EBARA
- GLYDWAYS
- AMSL AERO
- COPESTech India Pvt Ltd Focused on Excellence
- AOKI
- Altion Engineering
- FORMODEL
- ARNOLD PACKAGING
- ISEE
- STEAMERGY
- Irizar lighting the road
- TRANS ACNR
- NEUROBOTS
- SHARK robotics
- ELECTROIMPACT
- SAINT-GOBAIN PERFORMANCE PLASTICS
- UA-ROBOTICS COMPANY EDUCATO
- S SOUTHERN MEDICAL
- NEW SCHOOL FOODS

**Column 2 (Europe & Asia):**

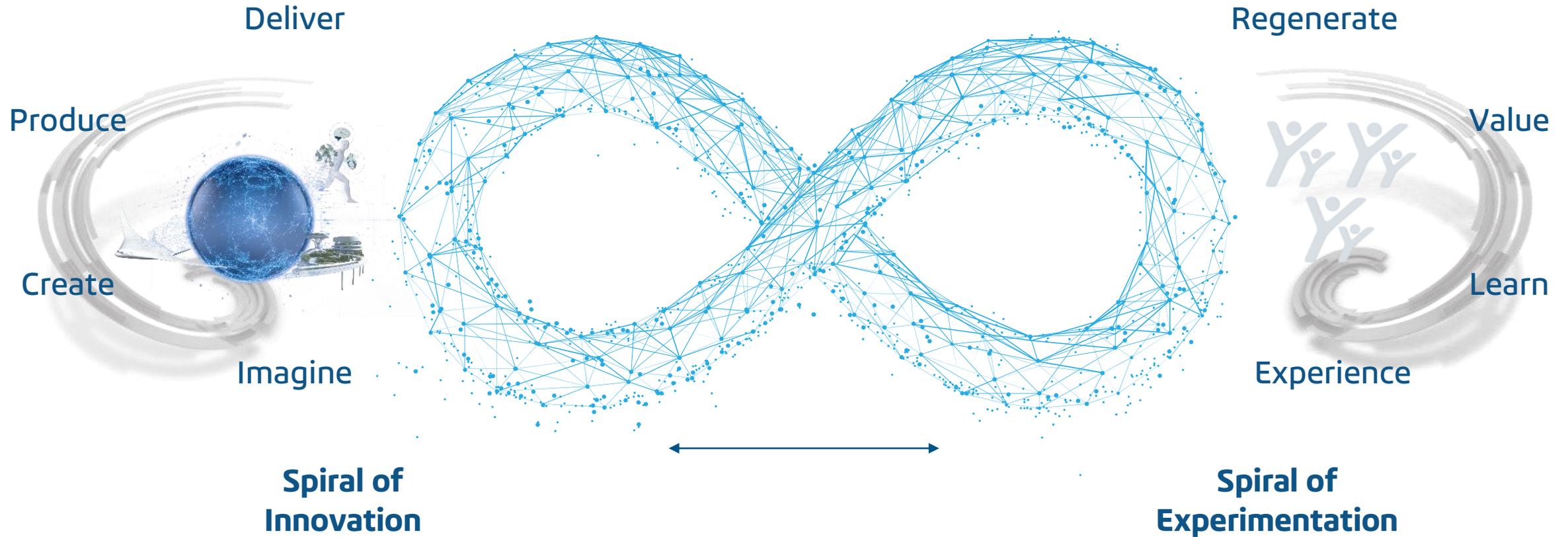
- AMPERSAND
- AVENCORE
- COMPOSITE SOLUTIONS
- NiCera PHILIPPINES
- PROJAIN
- ANIL MAKINA
- SKONTO PLAN
- Outrede
- Mercier SOLUTIONS SA
- WRP
- OutSail
- ZERO-POINT DEVELOPMENT, INC.
- TYDE
- emisia CONSCIOUS OF TRANSPORT'S IMPACT
- Fleck's Marine
- THORIZON
- quatra
- LATÉCOÈRE
- KEOLIS METROPOLE ORLEANS
- REITER Engineering
- Wacker Neuson Group
- TOP7 MAKING DRONES SMARTER
- ORION RESEARCH
- SIMPSON Strong-Tie
- hyme
- prime planet energy & solutions
- RETAL
- DIAG-NOSE.IO
- STEAMERGY
- ARNOG Indonesia Industry Service Solution
- MOKE
- Technofix SOLUTIONS THE PARTS OF VARIO
- KARBIKES
- Sedin
- archmeter
- vogt plastic
- MarelliMotori
- SPEA
- ROLLAX Kugellagerfabrik
- NOVO
- OWL SENTRY
- REEP
- REANTRONICS
- Fortune Brands Global Plumbing Group
- Praysbee Innovation and Creativity
- LIQUID INSTRUMENTS
- NEW FRONTIER TECHNOLOGIES Where Operations Meets IT
- YAMAGUCHI
- AININ
- Hartalega
- Panasonic
- Queloz SA
- stoco
- tech fish
- adani
- Gooten
- HARVATEK
- COMTECH PROACTIVE CONSULTING
- Space quarters
- LEO DRIVE
- ELPROM HARMANLI
- BGC
- T.F.C.T THE FIRST CONTACT TECH 先聯科技
- ITRI Industrial Technology Research Institute
- KAERTECH
- TRITON PUMPS
- THE Charcoal Grill CO.
- sutter planen-messen-umsetzen
- PERC
- swap-e

**Column 3 (Asia & Oceania):**

- Hysata
- Magic
- KERBL
- TURNTIDE
- UNIPROMET
- NEOGEN
- DEANTRONICS
- LIQUID INSTRUMENTS
- AININ
- stoco
- tech fish
- adani
- Gooten
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- PERC
- swap-e

# VIRTUAL TWIN EXPERIENCE: A HOLISTIC APPROACH

Leveraging the value of virtual twins as the core knowledge and know-how of a company



# BUILDING A WORLD WHERE PACKAGING NEVER BECOMES WASTE

Reducing the raw material usage by up to **2/3**, improving packaging efficiency by up to **1/3**, towards full **recyclability**



# PEPSICO



# OUR PURPOSE

“  
**Dassault Systèmes** provides business  
& people with **3DEXPERIENCE®** universes  
to imagine sustainable innovations capable  
of **harmonizing product, nature and life.**  
”



# AGENDA

Vision and Trends

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# GAME CHANGER

## Manufacturing Industries



## Life Sciences & Healthcare



## Infrastructure & Cities



# DE FACTO STANDARD IN eMOBILITY

All top 10 EV Newcomers  
are Dassault Systèmes clients

#	Name	Geo	Solutions
1			
2			
3			
4			
5		  	
6	 WM Motor		
7			
8		 	
9			
10			

**72%**  
of cars designed and  
engineered with **CATIA**

... **70%** of these OEMs  
embraced **3DEXPERIENCE**  
platform



**TOYOTA**



**HONDA**



STELLANTIS



PORSCHE

**85%**  
of all Electric Vehicles are  
developed with  
**3DEXPERIENCE** platform.



# REACHING UNPRECEDENTED MILESTONE IN LIFE SCIENCES

**9 MILLION**  
PARTICIPANTS  
**30,000**  
CLINICAL TRIALS

**And We're Just Getting Started.**

CLOSE TO **75%**  
OF NOVEL DRUGS APPROVED BY THE  
FDA DEVELOPED WITH MEDIDATA

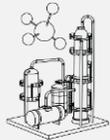




**INFRASTRUCTURE & CITIES**



**AMERICAS**



**3DEXPERIENCE platform with:**

- **Perfect Formulation**

# ECOLAB

Adopts **3DEXPERIENCE** platform for water management



Ecolab is a leader in treatment, purification, cleaning and hygiene of water

## **BUSINESS VALUE:**

**Water is a precious resource. Thanks to the 3DEXPERIENCE platform, Ecolab will reformulate its detergents to reduce water consumption**

- Accelerating development for formulated products
- Managing worldwide regulatory information
- Fostering collaboration across the entire product lifecycle

# SOFTWARE REVENUE BY REGION

Non-IFRS

## AMERICAS

1Q23: **+6%\*** | Share **41%\*\***

Good results in Mainstream Innovation Pipeline building momentum notably in **Life Sciences, Aerospace and High Tech**

## EUROPE

1Q23: **+12%\*** | Share **36%\*\***

Mission critical investments drove an acceleration in growth  
Excellent performance in **France** and **Southern Europe** driven by **Transportation & Mobility** and **Aerospace**

## ASIA

1Q23: **-3%\*** | Share **22%\*\***

**China** weaker than expected (-8%\* YoY) partially offset by robust double digits growth in **India**.

In March, **China** investment cycle restarted supporting pipeline generation



# SOFTWARE REVENUE BY PRODUCT LINE

Non-IFRS

% Growth ex FX		1Q23		Q1 Highlights*
Industrial Innovation software revenue	+4%		—————•	Subscription up double digits driven by <b>CATIA</b> and <b>ENOVIA</b> Strong <b>SIMULIA</b> and <b>NETVIBES</b> performance
Life Sciences software revenue	+11%		—————•	<b>MEDIDATA</b> up 13%
Mainstream Innovation software revenue	+4%		—————•	<b>SOLIDWORKS</b> up low single-digits on strong comparison base; <b>CENTRIC PLM</b> up strong double-digits
<b>Total software revenue</b>	<b>+6%</b>			

# MAINSTREAM OPPORTUNITY

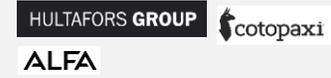
Collection Management | Business Planning | Analytics | e-Commerce



## Fashion Brands



## Outdoor & Lifestyle



## Home and Furniture



## Cosmetics and Personal Care



## Food and Beverage



# CENTRIC SOLUTIONS

- Accelerate time to market
- Improve quality and optimization
- Boost product innovation
- Optimizing margins

12,500+ Brands Trust Centric Solutions

725+ Companies



New Q1223 customers

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# 1Q23 PERFORMANCE AT A GLANCE

Non-IFRS

€M	1Q23
Revenue	1,434
Total Revenue Growth	+8%
Software Revenue Growth ex FX	+6%
Service Revenue Growth ex FX	+21%
Total Revenue Growth ex FX	+7%
Operating Margin	31.0%
EPS (€)	0.28
EPS Growth	+1%
EPS Growth ex FX	+1%

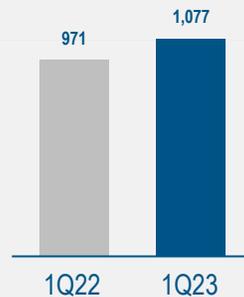
## Recurring Software Revenue [Subscription & Support Revenue]

Growth ex FX

+10%

84%<sup>1</sup>

YoY +310 bps



In line with objectives  
[Objectives +10-11%]

## Subscription Software Revenue

Growth ex FX

+14%

45%<sup>2</sup>

YoY +230 bps



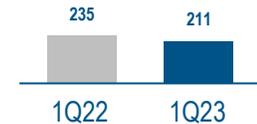
Continued solid grow supported by strategic growth driver  
[Objectives +12-16%]

## Upfront Software Revenue [Licenses & Other Revenue]

Growth ex FX

-10%

16%<sup>1</sup>



3 to 4 pts related to lower contribution from China  
[Objectives -7 to -2%]

of which

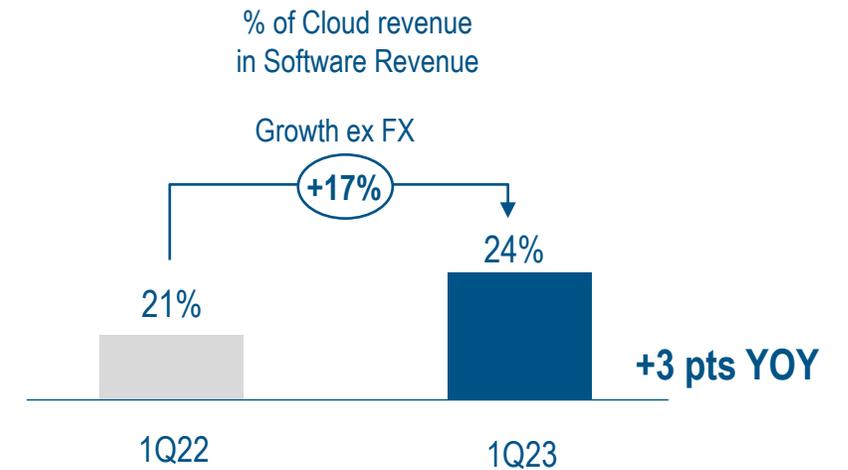
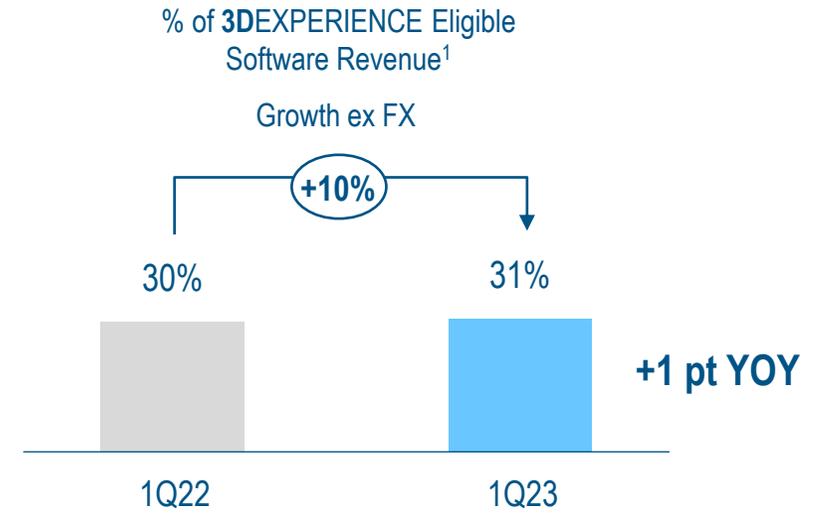
# GROWTH DRIVERS

1Q23 – Non-IFRS



VALUE UP

VALUE WIDE



# 1Q23 RESULTS VS OBJECTIVES

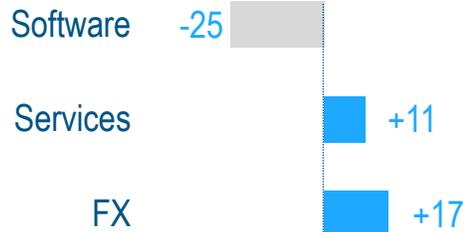
Non-IFRS

## Total Revenue

in €M

Objectives **1,418 – 1,443**  
Growth ex FX 7% 9%

Mid **1,431**



Total Var. **+3**

**Result 1,434**

Gap to low end ~€10M Software revenue  
 → recapture based on visibility and pipeline maturity

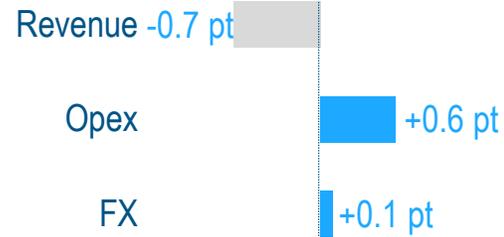
- EUR/USD from 1.10 to 1.07
- EUR/JPY from 140 to 142

## Operating Margin

in %

Objectives **30.7% - 31.3%**

Mid **31.0%**



Total Var. **0.0pt**

**Result 31.0%**

Disciplined Opex  
 Net hiring: ~+340

## EPS

in €

Objectives **0.27 – 0.28**  
Growth ex FX 0% 3%

Mid **0.28**

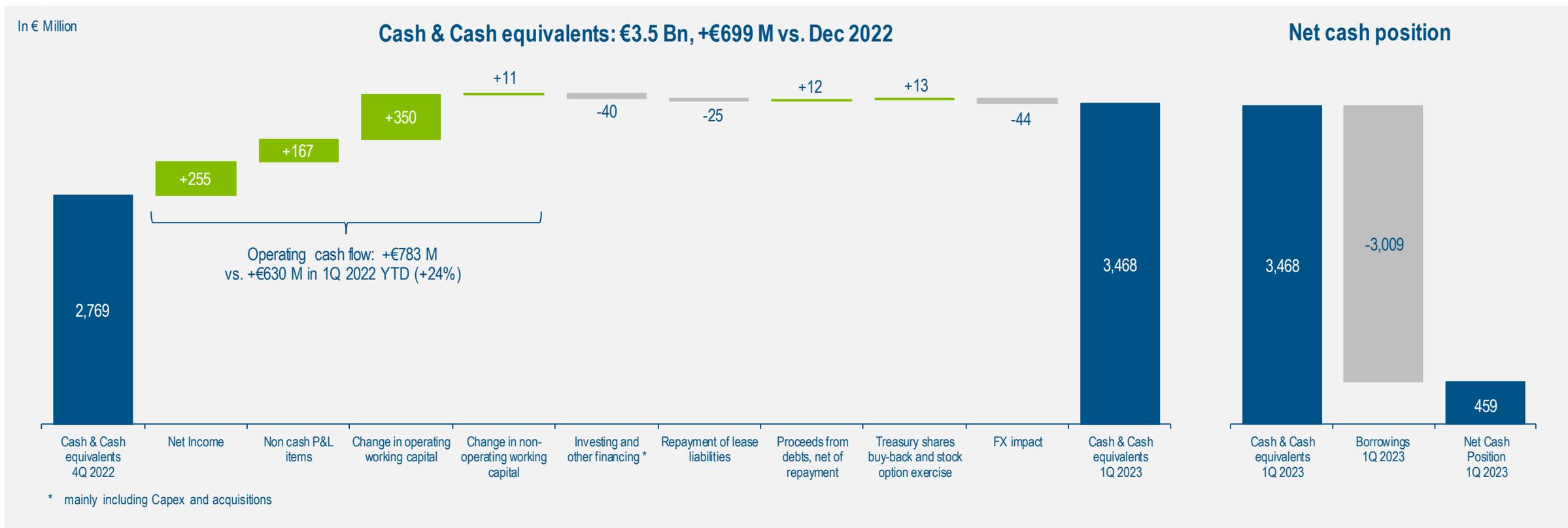


Total Var. **+0.2 ct**

**Result 0.28**

Well aligned  
 Effective Tax Rate from 21.0% to 20.7%

# CHANGE IN CASH AND DEBT POSITION AS AT MARCH 31, 2023

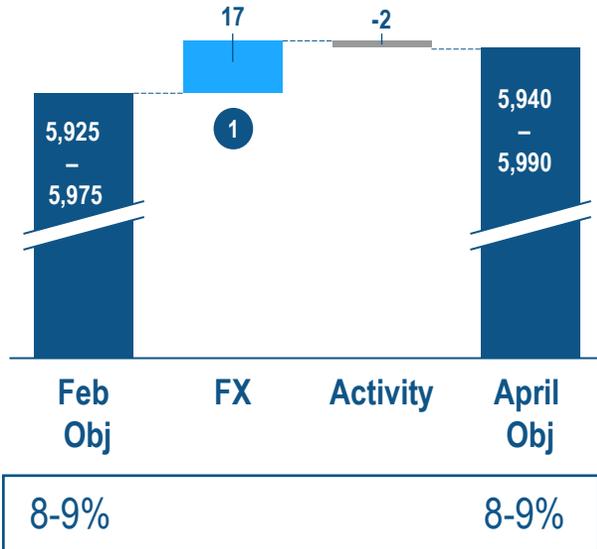


**Financial debt as of March 2023: €3,009 M**  
**Net cash position: €459 M**

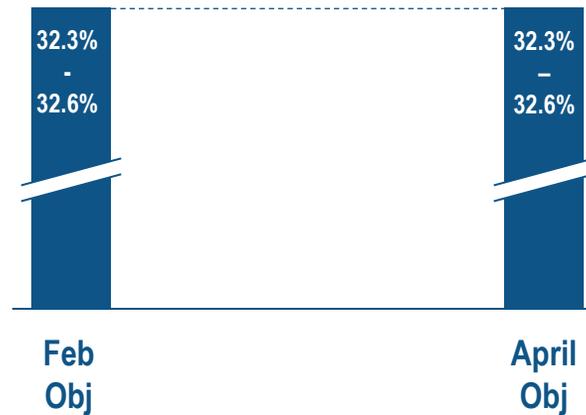
Borrowings at €3,009m, increase of +€13m vs. 4Q 2022, explained by proceeds from debts, net of repayment for +€12m, FX & other impacts for +€1m  
 Net cash position = Cash and cash equivalents and short-term investments minus borrowings

# FY 23 OBJECTIVES: CHANGES FROM FEBRUARY TO APRIL

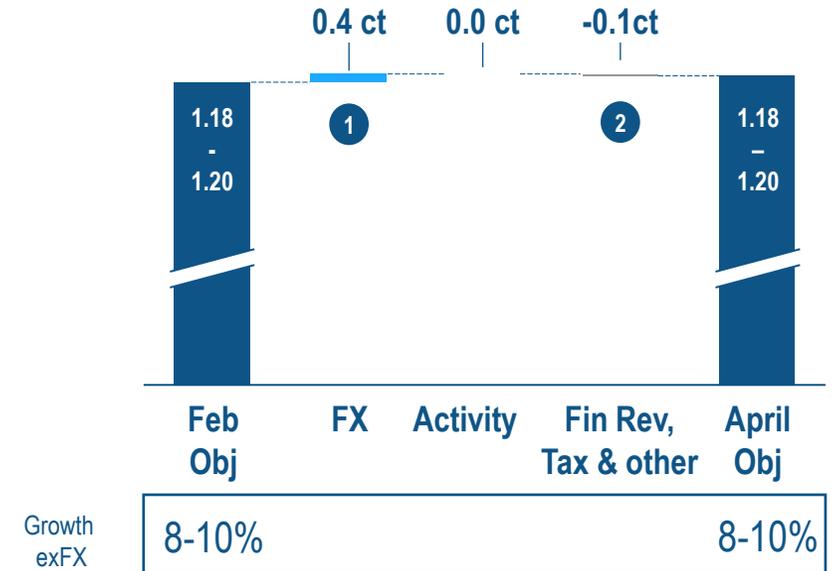
FY Revenue change: +€15m\*



FY Operating margin: no change



FY EPS change: +0.3 ct €



1

For the full year:

- EUR/USD from 1.10 to 1.09
- EUR/JPY from 140 to 140.5

2

For the full year:

- Tax Rate from 21.0% to 20.8%

# 2Q & FY2023 FINANCIAL OBJECTIVES

Non-IFRS – All growth % ex FX (unless otherwise noted)

UNCHANGED

	2Q 2023		FY 2023
	1,440-1,463	Revenue (€M)	5,940 - 5,990
	+4-6%	Total Revenue Reported Growth	+5-6%
	<b>+7-9%</b>	<b>Software Revenue</b>	<b>+8-9%</b>
	+6-8%	Service Revenue	+5-7%
	<b>+7-9%</b>	<b>Total Revenue</b>	<b>+8-9%</b>
	30.0%-30.5%	Operating Margin	32.3-32.6%
<b>Tax rate</b> of ~20.5% (20.8% in 2Q2022) FX: €/\$: 1.10 €/¥: 140.0	€0.27 - 0.28	EPS (€)	€1.18 - 1.20
	+3-6%	EPS Reported Growth	+4-6 %
	+8-10%	EPS Growth	+8-10%

**INCREASING SHARE OF PREDICTABILITY**

<p>RECURRING <b>+9-10%</b></p> <p>of which SUBSCRIPTION <b>+16-18%</b></p>	<p>UPFRONT <b>0 to +5%</b></p> <p>SUBSCRIPTION + UPFRONT <b>+9-12%</b></p>
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←

# SAVE THE DATE

We will host a Capital Markets Day in June 9<sup>th</sup>, 2023 in Paris

# BUILDING TOMORROW



# AGENDA

Vision and Trends

Operational Highlights

Financial Highlights & Objectives

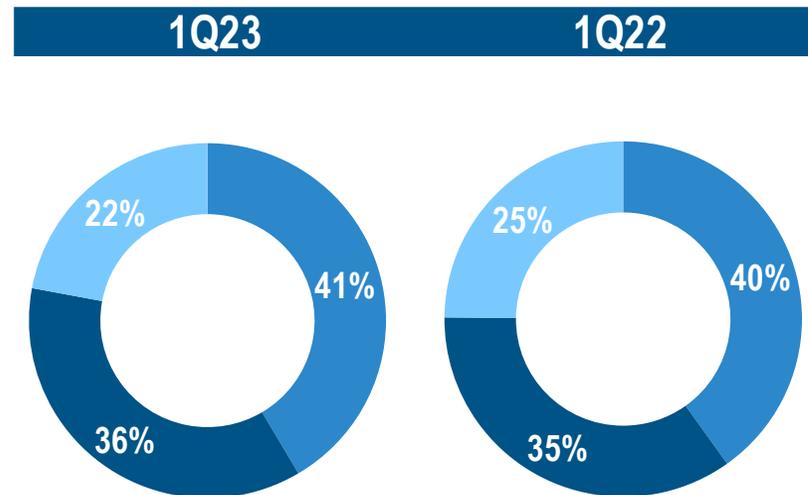
Financial Information Appendix

# SOFTWARE REVENUE BY REGION

IFRS

in MEUR

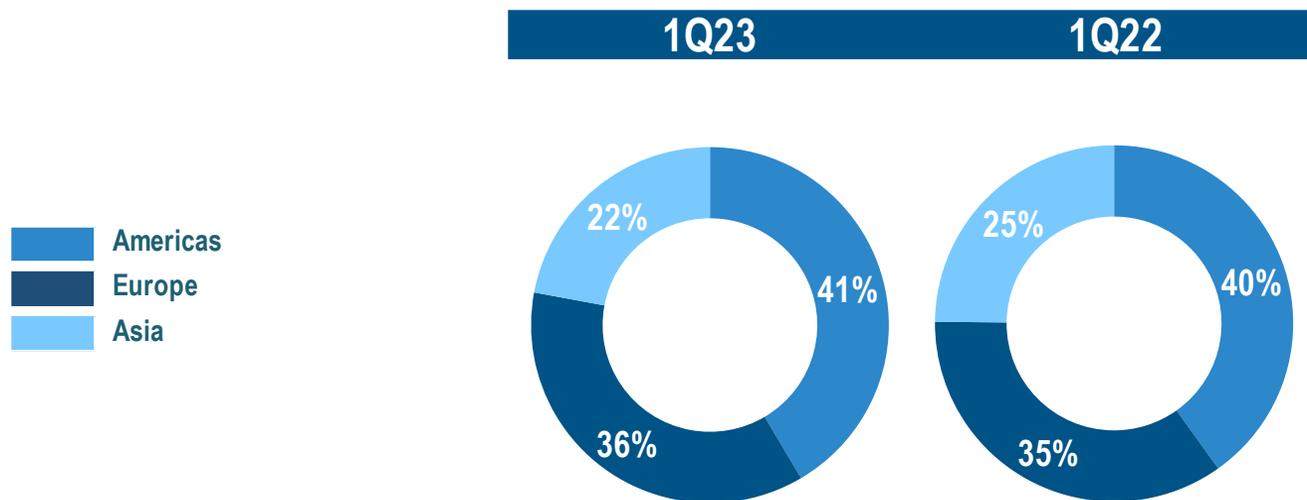
	1Q23	1Q22	Growth	Growth ex FX
<b>Americas</b>	534	484	+10%	+6%
<b>Europe</b>	469	422	+11%	+12%
<b>Asia</b>	284	300	(5)%	(3)%
<b>Software revenue</b>	<b>1,288</b>	<b>1,206</b>	<b>+7%</b>	<b>+6%</b>



# SOFTWARE REVENUE BY REGION

Non - IFRS

<i>in MEUR</i>	1Q23	1Q22	Growth	Growth ex FX
<b>Americas</b>	534	484	+10%	+6%
<b>Europe</b>	469	422	+11%	+12%
<b>Asia</b>	284	300	(5)%	(3)%
<b>Software revenue</b>	<b>1,288</b>	<b>1,206</b>	<b>+7%</b>	<b>+6%</b>

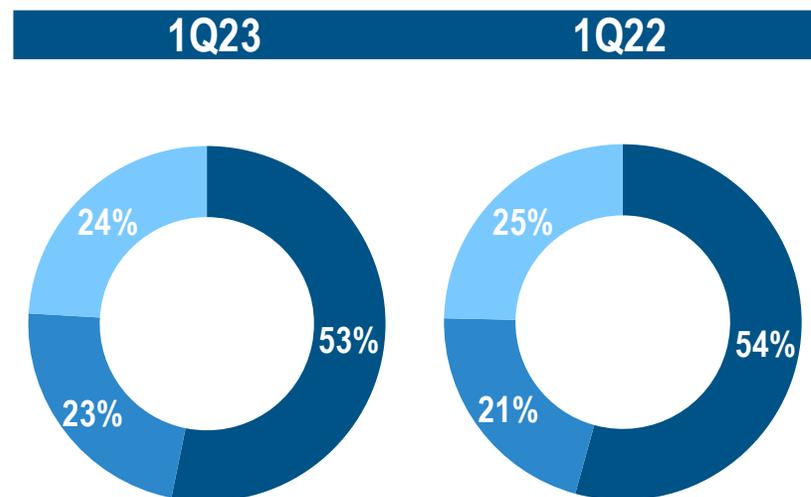


# SOFTWARE REVENUE BY PRODUCT LINE

IFRS

in MEUR

	1Q23	1Q22	Growth	Growth ex FX
Industrial Innovation SW revenue	685	654	+5%	+4%
Life Sciences SW revenue	293	254	+15%	+11%
Mainstream Innovation SW revenue	310	297	+4%	+4%
<b>Software revenue</b>	<b>1,288</b>	<b>1,206</b>	<b>+7%</b>	<b>+6%</b>

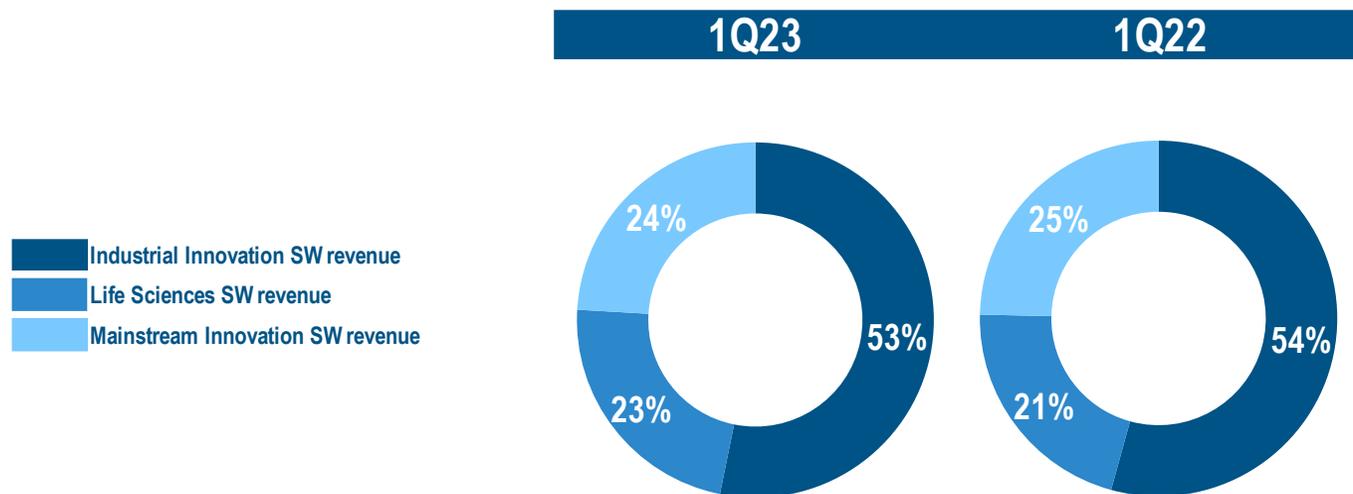


# SOFTWARE REVENUE BY PRODUCT LINE

Non - IFRS

*in MEUR*

	1Q23	1Q22	Growth	Growth ex FX
<b>Industrial Innovation SW revenue</b>	685	654	+5%	+4%
<b>Life Sciences SW revenue</b>	293	254	+15%	+11%
<b>Mainstream Innovation SW revenue</b>	310	297	+4%	+4%
<b>Software revenue</b>	<b>1,288</b>	<b>1,206</b>	<b>+7%</b>	<b>+6%</b>

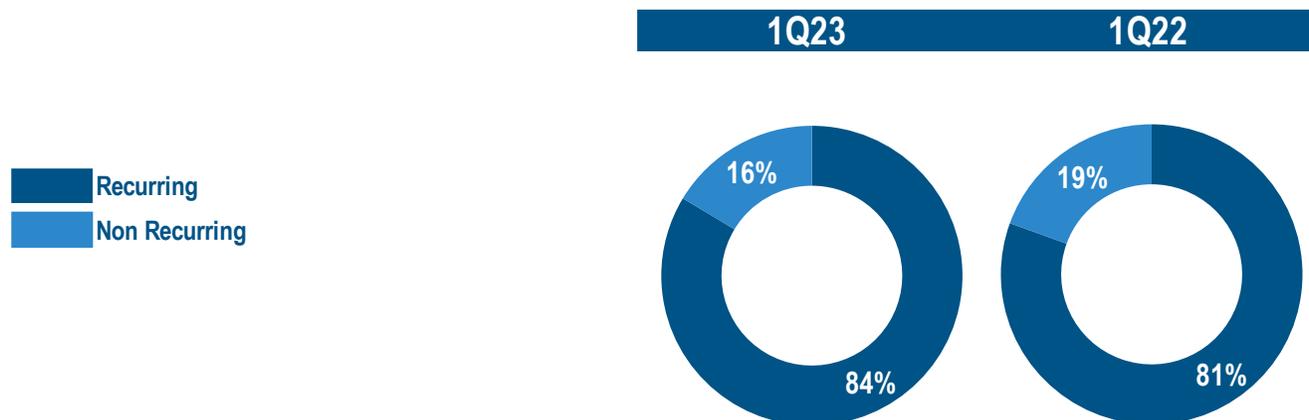


# SOFTWARE REVENUE EVOLUTION

Non - IFRS

in MEUR

	1Q23	1Q22	Growth	Growth ex FX
<b>Recurring</b> Subscription and Support revenue	1,077	971	+11%	+10%
<b>Non Recurring</b> Licenses and Other software revenue	211	235	(10)%	(10)%
<b>Software revenue</b>	<b>1,288</b>	<b>1,206</b>	<b>+7%</b>	<b>+6%</b>



# IFRS P&L

(In € million, except % and per share data)	Three months ended March 31,		
	2023	2022	YoY
Software revenue	1,288.2	1,205.5	+7%
Licenses and Other software revenue	211.0	234.7	(10)%
Subscription and Support revenue	1,077.2	970.9	+11%
Services revenue	146.0	119.0	+23%
<b>Total revenue</b>	<b>1,434.2</b>	<b>1,324.5</b>	<b>+8%</b>
Cost of Software revenue	(115.5)	(110.4)	+5%
Cost of Services revenue	(122.4)	(100.4)	+22%
Research and development expenses	(291.1)	(244.5)	+19%
Marketing and sales expenses	(402.0)	(337.3)	+19%
General and administrative expenses	(107.0)	(96.1)	+11%
Amortization of acquired intangible assets and of tangible assets revaluation	(96.1)	(95.9)	+0%
Other operating income and expense, net	(1.6)	(4.8)	(66)%
<b>Total operating expenses</b>	<b>(1,135.6)</b>	<b>(989.4)</b>	<b>+15%</b>
<b>Operating income</b>	<b>298.6</b>	<b>335.1</b>	<b>(11)%</b>
Financial income (loss), net	18.2	(4.9)	N/A
Income tax expense	(61.7)	(66.2)	(7)%
Non-controlling interest	0.4	0.3	+40%
<b>Net Income (to equity holders of the parent)</b>	<b>255.4</b>	<b>264.3</b>	<b>(3)%</b>
<b>Diluted earnings per share (EPS)</b>	<b>0.19</b>	<b>0.20</b>	<b>(3)%</b>
<b>Average diluted shares (Million)</b>	<b>1,327.0</b>	<b>1,325.8</b>	

# IFRS P&L (%)

	Three months ended March 31,	
	2023	2022
	<u>% of revenue</u>	
Software revenue	89.8%	91.0%
Licenses and Other software revenue	14.7%	17.7%
Subscription and Support revenue	75.1%	73.3%
Services revenue	10.2%	9.0%
<b>Total revenue</b>	<b>100.0%</b>	<b>100.0%</b>
Cost of Software revenue	8.1%	8.3%
Cost of Services revenue	8.5%	7.6%
Research and development expenses	20.3%	18.5%
Marketing and sales expenses	28.0%	25.5%
General and administrative expenses	7.5%	7.3%
Amortization of acquired intangible assets and of tangible assets revaluation	6.7%	7.2%
Other operating income and expense, net	0.1%	0.4%
<b>Total operating expenses</b>	<b>79.2%</b>	<b>74.7%</b>
<b>Operating income</b>	<b>20.8%</b>	<b>25.3%</b>
Financial income (loss), net	1.3%	0.4%
<b>Income tax rate (% of EBIT *)</b>	<b>19.5%</b>	<b>20.1%</b>
Non-controlling interest	0.0%	0.0%
<b>Net Income (to equity holders of the parent)</b>	<b><u>17.8%</u></b>	<b><u>20.0%</u></b>

\* EBIT: Earnings Before Income Tax

# Non-IFRS P&L

(In € million, except % and per share data)	Three months ended March 31,		
	2023	2022	YoY
Software revenue	1,288.2	1,205.6	+7%
Licenses and Other software revenue	211.0	234.7	(10)%
Subscription and Support revenue	1,077.2	970.9	+11%
Services revenue	146.0	119.0	+23%
<b>Total revenue</b>	<b>1,434.2</b>	<b>1,324.6</b>	<b>+8%</b>
Cost of Software revenue	(114.5)	(109.1)	+5%
Cost of Services revenue	(120.9)	(100.1)	+21%
Research and development expenses	(272.8)	(235.0)	+16%
Marketing and sales expenses	(388.3)	(329.1)	+18%
General and administrative expenses	(92.9)	(87.2)	+7%
<b>Total operating expenses</b>	<b>(989.4)</b>	<b>(860.6)</b>	<b>+15%</b>
<b>Operating income</b>	<b>444.8</b>	<b>464.0</b>	<b>(4)%</b>
Financial income (loss), net	19.1	(4.5)	N/A
Income tax expense	(96.0)	(97.2)	(1)%
Non-controlling interest	(0.0)	(0.0)	N/A
<b>Net Income (to equity holders of the parent)</b>	<b>367.8</b>	<b>362.3</b>	<b>+2%</b>
<b>Diluted earnings per share (EPS)</b>	<b>0.28</b>	<b>0.27</b>	<b>+1%</b>
<b>Average diluted shares (Million)</b>	<b>1,327.0</b>	<b>1,325.8</b>	

# Non-IFRS P&L (%)

	Three months ended March 31,	
	2023	2022
	<u>% of revenue</u>	
Software revenue	89.8%	91.0%
Licenses and Other software revenue	14.7%	17.7%
Subscription and Support revenue	75.1%	73.3%
Services revenue	10.2%	9.0%
<b>Total revenue</b>	<b>100.0%</b>	<b>100.0%</b>
Cost of Software revenue	8.0%	8.2%
Cost of Services revenue	8.4%	7.6%
Research and development expenses	19.0%	17.7%
Marketing and sales expenses	27.1%	24.8%
General and administrative expenses	6.5%	6.6%
<b>Total operating expenses</b>	<b>69.0%</b>	<b>65.0%</b>
<b>Operating income</b>	<b>31.0%</b>	<b>35.0%</b>
Financial income (loss), net	1.3%	0.3%
<b>Income tax rate (% of EBIT *)</b>	<b>20.7%</b>	<b>21.2%</b>
Non-controlling interest	0.0%	0.0%
<b>Net Income (to equity holders of the parent)</b>	<b><u>25.6%</u></b>	<b><u>27.4%</u></b>

\* EBIT: Earnings Before Income Tax

# IFRS – NON-IFRS RECONCILIATION QTD

## Revenue and Gross Margin

	Three months ended March 31,						Increase (Decrease)	
	2023 IFRS	Adjustment	2023 Non-IFRS	2022 IFRS	Adjustment	2022 Non-IFRS	IFRS	Non-IFRS
<i>(In € million, except %)</i>								
<b>Total Revenue</b>	<b>1,434.2</b>		<b>1,434.2</b>	<b>1,324.5</b>	<b>0.1</b>	<b>1,324.6</b>	<b>+8%</b>	<b>+8%</b>
<b>Total Revenue breakdown by activity</b>								
Software revenue	1,288.2		1,288.2	1,205.5	0.1	1,205.6	+7%	+7%
<i>Licenses and Other software revenue</i>	211.0		211.0	234.7		234.7	(10)%	(10)%
<i>Subscription and Support revenue</i>	1,077.2		1,077.2	970.9	0.1	970.9	+11%	+11%
<i>Recurring portion of Software revenue</i>	84%		84%	81%		81%		
Services revenue	146.0		146.0	119.0		119.0	+23%	+23%
<b>Total Revenue breakdown by product line</b>								
Industrial Innovation SW revenue	685.1		685.1	654.4		654.4	+5%	+5%
Life Sciences SW revenue	292.9		292.9	254.0		254.0	+15%	+15%
Mainstream Innovation SW revenue	310.1		310.1	297.2	0.1	297.2	+4%	+4%
Services revenue	146.0		146.0	119.0		119.0	+23%	+23%
<b>Software Revenue breakdown by geography</b>								
Americas revenue	534.5		534.5	483.7	0.0	483.8	+10%	+10%
Europe revenue	469.5		469.5	422.2		422.3	+11%	+11%
Asia revenue	284.2		284.2	299.6		299.6	(5)%	(5)%
<b>Gross Margin</b>								
Cost of Software revenue	(115.5)	1.0	(114.5)	(110.4)	1.2	(109.1)	+5%	+5%
<i>Software Gross margin <sup>(1)</sup></i>	91.0%		91.1%	90.8%		90.9%		
Cost of Services revenue	(122.4)	1.5	(120.9)	(100.4)	0.3	(100.1)	+22%	+21%
<i>Services Gross margin</i>	16.2%		17.2%	15.6%		15.9%		

<sup>(1)</sup> No amortization of acquired intangible assets and of tangible assets revaluation is included in Software Gross margin calculation

# IFRS – NON-IFRS RECONCILIATION QTD

## Expenses & Earnings

	Three months ended March 31,						Increase (Decrease)	
	2023 IFRS	Adjustment	2023 Non-IFRS	2022 IFRS	Adjustment	2022 Non-IFRS	IFRS	Non-IFRS
<i>(In € million, except % and per share data)</i>								
<b>Total Operating Expenses</b>	<b>(1,135.6)</b>	<b>146.2</b>	<b>(989.4)</b>	<b>(989.4)</b>	<b>128.8</b>	<b>(860.6)</b>	<b>+15%</b>	<b>+15%</b>
Share-based compensation expense and related social charges	(47.8)	47.8		(27.5)	27.5			
Amortization of acquired intangible assets and of tangible assets revaluation	(96.1)	96.1		(95.9)	95.9			
Lease incentives of acquired companies	(0.7)	0.7		(0.7)	0.7			
Other operating income and expense, net	(1.6)	1.6		(4.8)	4.8			
<b>Operating Income</b>	<b>298.6</b>	<b>146.2</b>	<b>444.8</b>	<b>335.1</b>	<b>128.9</b>	<b>464.0</b>	<b>(11)%</b>	<b>(4)%</b>
<b>Operating Margin</b>	<b>20.8%</b>		<b>31.0%</b>	<b>25.3%</b>		<b>35.0%</b>		
Financial income (loss), net	18.2	0.9	19.1	(4.9)	0.4	(4.5)	N/A	N/A
Income tax expense	(61.7)	(34.3)	(96.0)	(66.2)	(31.0)	(97.2)	(7)%	(1)%
Non-controlling interest	0.4	(0.4)	(0.0)	0.3	(0.3)	(0.0)	+40%	N/A
<b>Net Income attributable to shareholders</b>	<b>255.4</b>	<b>112.4</b>	<b>367.8</b>	<b>264.3</b>	<b>98.0</b>	<b>362.3</b>	<b>(3)%</b>	<b>+2%</b>
<b>Diluted earnings per share, in EUR</b>	<b>0.19</b>	<b>0.08</b>	<b>0.28</b>	<b>0.20</b>	<b>0.07</b>	<b>0.27</b>	<b>(3)%</b>	<b>+1%</b>

	Three months ended March 31,							
	2023 IFRS	Share-based compensation expense and related social charges	Lease incentives of acquired companies	2023 Non-IFRS	2022 IFRS	Share-based compensation expense and related social charges	Lease incentives of acquired companies	2022 Non-IFRS
<i>(In € million)</i>								
Cost of revenue	(237.8)	2.2	0.2	(235.4)	(210.7)	1.3	0.2	(209.2)
Research and development expenses	(291.1)	17.9	0.3	(272.8)	(244.5)	9.2	0.3	(235.0)
Marketing and sales expenses	(402.0)	13.6	0.1	(388.3)	(337.3)	8.1	0.1	(329.1)
General and administrative expenses	(107.0)	14.0	0.1	(92.9)	(96.1)	8.9	0.1	(87.2)
<b>Total</b>		<b>47.8</b>	<b>0.7</b>			<b>27.5</b>	<b>0.7</b>	

# FINANCIAL INCOME (LOSS), NET

Non - IFRS

(In € million)	Three months ended March 31,		
	2023	2022	YoY
Interest Income	26.7	3.5	23.2
Interest Expense	(3.9)	(3.1)	(0.8)
Interest Expense on cap lease (IFRS 16)	(3.2)	(3.1)	(0.1)
<b>Financial net Income (loss)</b>	<b>19.6</b>	<b>(2.7)</b>	<b>22.3</b>
Exchange Gain / (Loss)	(1.0)	(2.0)	1.0
Other Income / (Loss)	0.4	0.2	0.3
<b>Total</b>	<b>19.1</b>	<b>(4.5)</b>	<b>23.6</b>

# EXCHANGE RATE EVOLUTION

From assumptions to actual data – Non-IFRS

Breakdown of P&L by currency for YTD 23		
	Revenue	Operating Expenses
USD	51.3%	46.9%
JPY	6.9%	3.0%

Average Exchange rates				
		2022	2023	% change
QTD	EUR/USD	1.12	1.07	(4)%
	EUR/JPY	130.46	141.98	+9%
YTD	EUR/USD	1.12	1.07	(4)%
	EUR/JPY	130.46	141.98	+9%



# ACTUAL FX IMPACT ON 1Q23 VS GUIDANCE

Non - IFRS

In € million, except %	Revenue	Operating Expenses	Operating Income	Operating Margin
<b>1Q23 Guidances Mid</b>	<b>1,430.9</b>	<b>(986.8)</b>	<b>444.0</b>	<b>31.0%</b>
<b>Growth YoY</b>	<b>+8.0%</b>	<b>+14.7%</b>	<b>(4.3)%</b>	<b>(4.0)pts</b>
USD impact	18.2	(11.7)	6.5	+0.1pt
JPY impact including hedging	0.7	0.4	1.1	+0.1pt
Other currencies and other hedging impact	(1.7)	0.6	(1.1)	(0.0)pt
<b>Total FX</b>	<b>17.2</b>	<b>(10.6)</b>	<b>6.6</b>	<b>+0.1pt</b>
<b>Activity / Cost Control / Other</b>	<b>(13.9)</b>	<b>8.1</b>	<b>(5.8)</b>	<b>(0.1)pt</b>
<b>Delta: Reported vs guidances</b>	<b>3.3</b>	<b>(2.6)</b>	<b>0.8</b>	<b>(0.0)pt</b>
<b>1Q23 Reported</b>	<b>1,434.2</b>	<b>(989.4)</b>	<b>444.8</b>	<b>31.0%</b>
<b>Growth YoY</b>	<b>+8.3%</b>	<b>+15.0%</b>	<b>(4.1)%</b>	<b>(4.0)pts</b>
<b>1Q22 Reported</b>	<b>1,324.6</b>	<b>(860.6)</b>	<b>464.0</b>	<b>35.0%</b>

# ACTUAL FX IMPACT ON 1Q23

Non - IFRS

In € million, except %	Revenue	Expenses	Operating Income	Operating Margin
<b>2022</b>	<b>1,324.6</b>	<b>(860.6)</b>	<b>464.0</b>	<b>35.0%</b>
USD impact	27.4	(18.1)	9.3	(0.0)pt
JPY impact (incl. hedg)	(6.5)	2.4	(4.1)	(0.1)pt
Other currencies	(6.8)	2.3	(4.5)	(0.2)pt
<b>Total FX effect</b>	<b>14.1</b>	<b>(13.4)</b>	<b>0.7</b>	<b>(0.3)pt</b>
2022 ex FX	1,338.7	(874.0)	464.7	34.7%
Growth ex FX	7%	13%	-4%	(3.7)pts
<b>2023</b>	<b>1,434.2</b>	<b>(989.4)</b>	<b>444.8</b>	<b>31.0%</b>
Growth	8%	15%	-4%	(4.0)pts

# CONSOLIDATED STATEMENTS OF CASH FLOWS

In millions of €	YTD 23	YTD 22	Variation
Net income attributable to equity holders of the parent	255	264	(9)
Non-controlling interest	(0)	(0)	(0)
<b>Net income</b>	<b>255</b>	<b>264</b>	<b>(9)</b>
Non-cash items	167	176	(9)
<b>Net income adjusted for non-cash items</b>	<b>422</b>	<b>440</b>	<b>(18)</b>
Operating working capital	350	182	167
Non operating working capital	11	8	3
<b>Changes in working capital</b>	<b>361</b>	<b>190</b>	<b>171</b>
<b>Net Cash From Operating Activities (I)</b>	<b>783</b>	<b>630</b>	<b>152</b>
Additions to property, equipment and intangible assets	(35)	(31)	(4)
Payment for acquisition of businesses, net of cash acquired	0	(4)	4
Other	(5)	(27)	22
<b>Net Cash Provided by (Used in) Investing Activities (II)</b>	<b>(40)</b>	<b>(61)</b>	<b>21</b>
Proceeds from exercise of stock options	10	18	(8)
Repurchase and sale of treasury stock	3	(527)	530
Capital increase	-	199	(199)
Acquisition of non-controlling interests	(0)	(1)	0
Proceeds from borrowings	13	3	10
Repayment of borrowings	(1)	(235)	234
Repayment of lease liabilities	(25)	(23)	(2)
<b>Net Cash Provided by (Used in) Financing Activities (III)</b>	<b>(0)</b>	<b>(566)</b>	<b>566</b>
<b>Effect of exchange rate changes on cash and cash equivalents (IV)</b>	<b>(44)</b>	<b>25</b>	<b>(69)</b>
<b>Increase (decrease) in cash and cash equivalents (V) = (I)+(II)+(III)+(IV)</b>	<b>699</b>	<b>29</b>	<b>670</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,769</b>	<b>2,979</b>	
<b>Cash and cash equivalents at end of period</b>	<b>3,468</b>	<b>3,008</b>	

# BALANCE SHEET

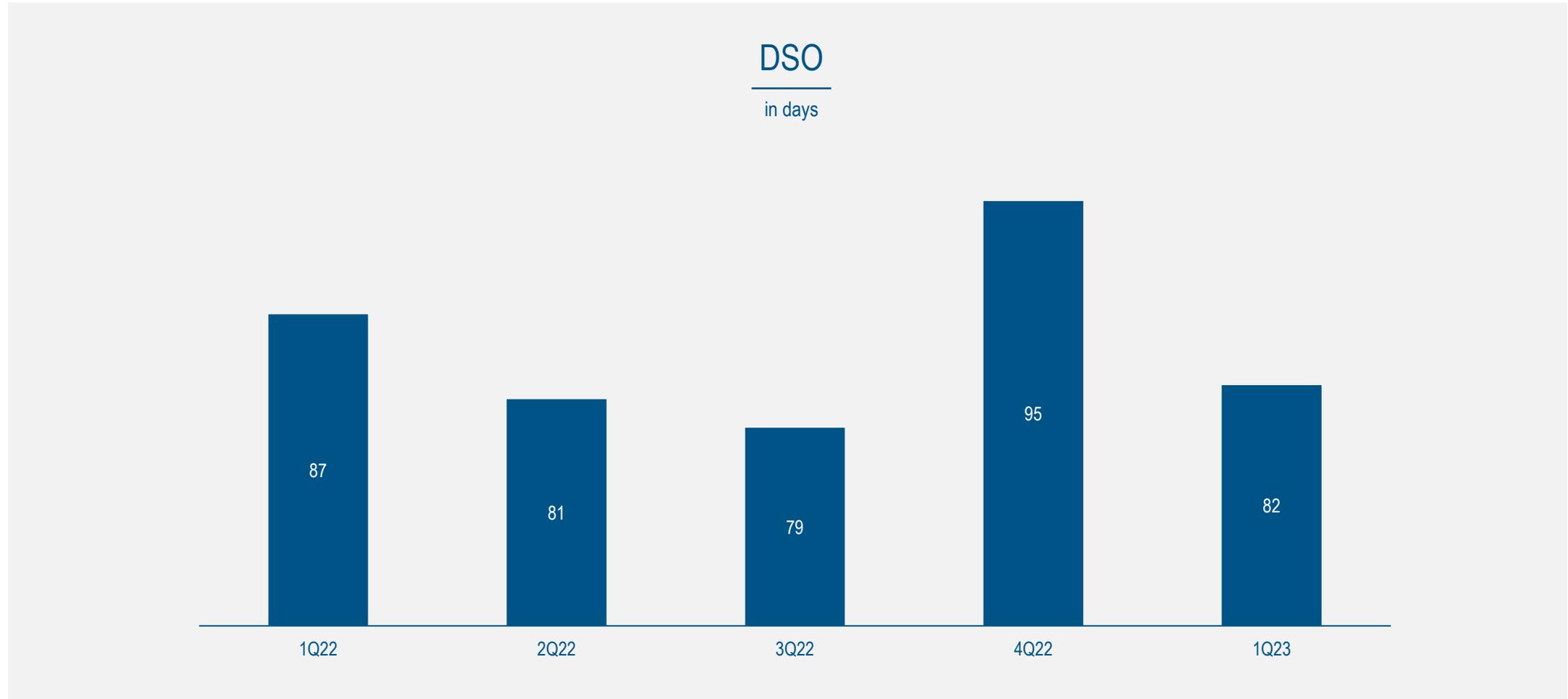
IFRS

(in millions of €)	End of Mar-23	End of Dec-22	Variation Mar-23 / Dec-22
Cash and cash equivalents	3,468.1	2,769.0	+699.1
Trade accounts receivable, net	1,286.9	1,661.6	-374.7
Contract assets	26.5	20.3	+6.3
Other current assets	396.2	393.5	+2.8
<b>Total current assets</b>	<b>5,177.7</b>	<b>4,844.3</b>	<b>+333.4</b>
Property and equipment, net	810.7	819.9	-9.2
Goodwill and Intangible assets, net	8,032.8	8,273.6	-240.8
Other non-current assets	329.1	323.3	+5.8
<b>Total non-current assets</b>	<b>9,172.6</b>	<b>9,416.8</b>	<b>-244.2</b>
<b>Total Assets</b>	<b>14,350.3</b>	<b>14,261.1</b>	<b>+89.2</b>
Trade accounts payable	181.1	216.3	-35.2
Contract liabilities	1,600.6	1,536.6	+64.0
Borrowings, current	270.8	258.6	+12.2
Other current liabilities	799.3	869.6	-70.3
<b>Total current liabilities</b>	<b>2,851.8</b>	<b>2,881.0</b>	<b>-29.3</b>
Borrowings, non-current	2,738.1	2,737.4	+0.7
Other non-current liabilities	1,280.2	1,317.8	-37.6
<b>Total non-current liabilities</b>	<b>4,018.3</b>	<b>4,055.2</b>	<b>-36.9</b>
Non-controlling interest	12.0	14.2	-2.2
Parent Shareholders' equity	7,468.3	7,310.7	+157.6
<b>Total Liabilities</b>	<b>14,350.3</b>	<b>14,261.1</b>	<b>+89.2</b>

# OPERATING CASH FLOW EVOLUTION YTD23

€ million	YTD23	YTD22	Changes	
<b>Operating Cash Flow</b>	<b>+783</b>	<b>+630</b>	<b>+152</b>	<b>Up 24% year over year</b>
Net income adjusted for non cash items	+422	+440	-18	Down 4% year over year
Decrease in trade accounts receivable and contract assets	+346	+124	+222	Balance up 3.3% exFX at constant perimeter DSO down 4.2 days
Increase in contract liability	+91	+140	-49	Balance up 9.2% exFX at constant perimeter, in line with recurring revenue growth at 9.5%
Decrease in accrued compensation	-56	-56	-	
Decrease in accounts payable	-32	-25	-7	
Increase in income taxes payable	+16	+28	-12	Reimbursement of withholding tax received in 2022
Other	-4	-21	+16	Decrease in prepaid expenses (2022 multi-year software subscriptions to protect from inflation)

### 3. TRADE ACCOUNTS RECEIVABLE – DSO

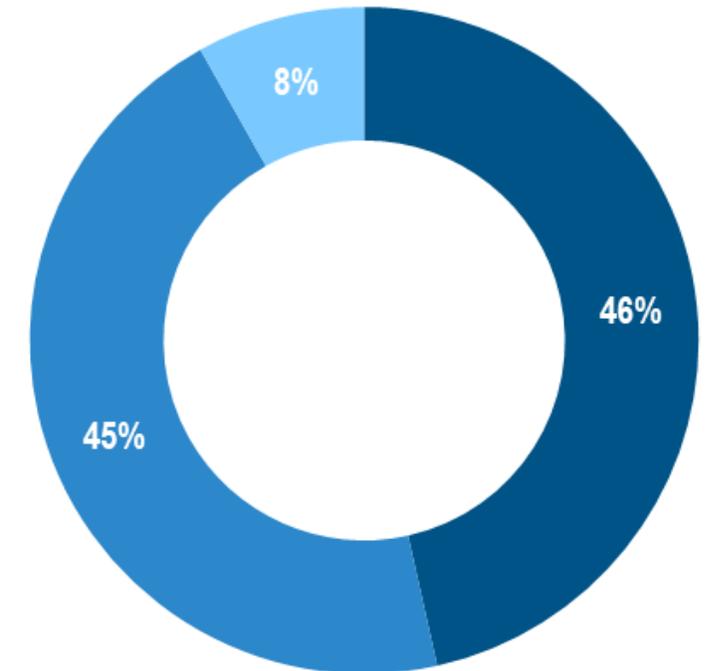


# HEADCOUNT BY DESTINATIONS – 1Q23

## Overview

At Closing - TOTAL			
	<u>1Q23</u>	<u>1Q22</u>	<u>% growth</u>
M&S + COR Ser	11,510	10,366	+11.0%
R&D + COR SW	11,226	10,648	+5.4%
G&A	2,017	1,883	+7.1%
<b>Total</b>	<b>24,753</b>	<b>22,898</b>	<b>+8.1%</b>

Closing H/C - March 2023



■ M&S + COR Ser ■ R&D + COR SW ■ G&A

# IFRS 2023 FINANCIAL OBJECTIVES

## Accounting elements not included in the non-IFRS 2023 Objectives

- FY 2023 estimated **contract liabilities** write-down: not significant
- FY 2023 estimated **share-based compensation** expenses, including related social charges: **~€135 M**, these estimates do not include any new stock option or share grants issued after March 31, 2023
- FY 2023 estimated amortization of **acquired intangible assets** and of **tangible assets revaluation ~€374 M**
- FY 2023 estimated **lease incentives of acquired companies: ~€3 M**
- The non-IFRS objectives also do not include any impact from other operating income and expense, net principally comprised of acquisition, integration and restructuring expenses, and impairment of goodwill and acquired intangible assets; from one-time items included in financial revenue; from one-time tax effects; and from the income tax effects of these non-IFRS adjustments.
- Finally, these estimates do not include any new acquisitions or restructurings completed after March 31, 2023.

