

**3D**EXPERIENCE

## Analysts Meeting Q2 2012

Bernard Charles, President and CEO  
Thibault de Tersant, Senior EVP and 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. If global economic and business conditions continue to be volatile or deteriorate, the Company's business results may not develop as currently anticipated and may decline below their earlier levels for an extended period of time. Furthermore, due to factors affecting sales of the Company's products and services, there may be a substantial time lag between any change in global economic and business conditions and its impact on the Company's business results.

In preparing such forward-looking statements, the Company has in particular assumed an average U.S. dollar to euro exchange rate of US\$1.30 per €1.00 and an average Japanese yen to euro exchange rate of JPY110 to €1.00 for the 2012 third quarter; for 2012, the Company has assumed an average U.S. dollar to euro exchange rate of US\$1.30 per €1.00 and an average Japanese yen to euro exchange rate of JPY107 to €1.00; however, currency values fluctuate, and the Company's results of operations may be significantly affected by changes in exchange rates. The Company's actual results or performance may also be materially negatively affected by changes in the current global economic context, difficulties or adverse changes affecting its partners or its relationships with its partners, changes in exchange rates, new product developments, and technological changes; errors or defects in its products; growth in market share by its competitors; and the realization of any risks related to the integration of any newly acquired company and internal reorganizations. Unfavorable changes in any of the above or other factors described in the Company's regulatory reports, including the 2011 Document de référence, which was filed with the French Autorité des marchés financiers (AMF) on March 29, 2012, could materially affect the Company's financial position or results of operations.

# Forward Looking 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, 2011 included in the Company's 2011 Document de référence filed with the AMF on March 29, 2012.

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

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.

# Q2 2012 Highlights

- ▶ **Organic double-digit revenue growth**
- ▶ **Growing interest for 3DEXPERIENCE platform**
- ▶ **Awareness increasing with advertising campaigns**
- ▶ **Successfully closing Gemcom Software acquisition**
- ▶ **Updating 2012 objectives targeting now FY12 revenue ~ €2 billion**

# Agenda

1

Q2 2012 Business & Strategy Review

2

Q2 2012 Business Highlights

3

Q3 & FY12 Financial Objectives

4

Financial Information Appendix

# Q2 2012 Business & Strategy Review

1. **Q2 2012 Performance**
2. Advertising Campaigns
3. Gemcom Acquisition Closing

# Q2 2012 Performance Non-IFRS\*

- ▶ **Continuation of Q1 positive business trends with larger proportion of new rentals in Q2** compared to previous quarters
- ▶ **Strong EPS growth driven by revenue growth and margin expansion**

€ millions	Q2 12	YTD 12
Revenue	502.9	965.3
Growth	+17%	+15%
<b>Growth ex FX</b>	<b>+10%</b>	<b>+10%</b>
New Licenses Growth ex FX	+9%	+13%
Operating Margin	29.2%	29.2%
<b>Operating Margin Growth</b>	<b>+1.2pt</b>	<b>+1.0pt</b>
EPS (€)	0.76	1.47
<b>EPS Growth</b>	<b>+19%</b>	<b>+15%</b>

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

# Revenue by Product Line Non-IFRS\*

## Software Revenue Growth ex FX by Product Line

- ▶ Good quarter for both **PLM** and **SOLIDWORKS**
- ▶ **SOLIDWORKS** performance showing continued dynamic for 3DS market

	Q2 12	YTD 12
<b>PLM</b>	<b>+9%</b>	<b>+9%</b>
CATIA	+8%	+7%
ENOVIA	+9%	+13%
Other PLM SW	+13%	+12%
<b>SOLIDWORKS</b>	<b>+15%</b>	<b>+14%</b>
<b>Total Software</b>	<b>+11%</b>	<b>+10%</b>

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

# V6 Revenue

- ▶ **Increasing V6 footprint in Q2**
  - ▷ **Total V6 new licenses revenue: ~19%** of PLM new licenses revenue
- ▶ **Deploying V6 in leading companies across industries**
  - ▷ Major wins in **Aerospace & Defense, High Tech, Energy, Process & Utilities, Life Sciences, Consumer Packaged Goods & Retail**
  - ▷ Repeat deals at **Renault, Jaguar Land Rover, Alstom, LG Electronics** among many others

# Snecma (Safran group) Selecting DELMIA V6

## ► Context

- ▷ A world leading manufacturer of military & civil aircraft engines
- ▷ 2011 revenue €4.5bn - 12,700 employees

## ► Challenges

- ▷ Setup **unified & flexible collaborative environment** to maintain highest quality standard & manage costs
- ▷ Manage market success of **new innovative engine programs** which will increase **manufacturing workload**

## ► Targeted achievements

- ▷ Enable **end-to-end manufacturing engineering processes** of aero-engine parts, from raw materials to complex end parts:
  - Create & manage all shop floor deliverables
  - Support end-to-end industrialization business processes
  - Ensure digital continuity from design to manufacturing
- ▷ Enable more than **500 users** to access **to single source of manufacturing data**



# Fujitsu Network Communications Selecting ENOVIA V6



## ▶ Context

- ▷ US-based division of Fujitsu Limited of Japan (FY11 revenue: ~\$50bn)
- ▷ Leading optical solutions provider

## ▶ Challenges

- ▷ **Speed time to market**
- ▷ Gather customer requirements for **increasingly complex products**, develop solutions and test them on **schedules that continue to accelerate**

## ▶ Achievements

- ▷ Selected 3DS Mechatronics Systems Design Experience built on **ENOVIA V6** to integrate requirements and test case management processes
- ▷ Replaced **13 applications – 11 more targeted**
- ▷ **30-40% improvement in requirements management** including traceability and reuse of requirements
- ▷ Reduced significantly number of employees assigned to **change management issues**

**“Our systems engineers are able to spend more time doing requirements analysis and engineering work”**

Peter Servi, Senior Manager, Enterprise PLM and Engineering Applications, Fujitsu

# POSCO Selecting V6

## ► Context

- ▷ Leading Steel Company
- ▷ 2011 revenue : 68B\$ - 17,000 employees

## ► Challenges

- ▷ POSCO achieved 68B\$ revenue in 2011 and plan to increase it to 200B\$ by 2020

## ► Achievement

- ▷ **Introduced V6** with **ENOVIA** , **DELMIA** , **3DVIA** and **SIMULIA**
  - Single 3D Database
  - Business Process Coverage
- ▷ Provided **Asset lifecycle management based on 3D data**
- ▷ Adopted **Virtual Factory**

posco



# Winning with SIMULIA at HONDA

## ▶ Context

- ▷ World's largest motorcycle manufacturer and one of the leading automakers - Headquartered in Japan
- ▷ 2011 revenue: ~\$107bn

## ▶ Challenges

- ▷ Speed **time-to-market while** maintaining **high quality**

## ▶ Achievements

- ▷ Selected **SIMULIA** for:
  - Selection and optimization in early design phases
  - Nonlinear simulations, vibration noise
  - Design iterations automation



Make **critical design decisions** and achieve **optimal designs** without the **cost** and **timely** process of building physical prototypes

# Q2 2012 Business & Strategy Review

1. Q2 2012 Performance
- 2. Advertising Campaigns**
3. Gemcom Acquisition Closing

# Advertising Campaigns

WHO

Executives of 12 targeted Industries

WHAT

Increase Awareness as The 3DEXPERIENCE Company

HOW

Advertising Campaign (TV, Press in geo, Trade, Online, Airport, Local up-weight ...)

2 waves of communication: May-June 2012 and Sept-Oct 2012

IF WE  want desert cities to  
drink, where do we  
get fresh water?

Harvesting icebergs  
– a dream our software could bring to life.



It takes a special kind of compass to explore the world's future possibilities. Innovative companies use our 3DEXperience software platform to understand the present and navigate the future.

Find out more: [3DS.COM/IFWE](https://3ds.com/ifwe)



IF WE  dye our hair, can the packaging show us the perfect color?

Intelligent packaging  
– a dream our software could bring to life.



It takes a special kind of compass to explore the world's future possibilities. Innovative companies use our 3DEXPERIENCE software platform to understand the present and navigate the future.

Find out more: [3DS.COM/CPG](https://www.3ds.com/cpg)



# Q2 2012 Business & Strategy Review

1. Q2 2012 Performance
2. Advertising Campaigns
- 3. Gemcom Acquisition Closing**

# Successfully Closing Gemcom Acquisition

- ▶ Successfully **completing** Gemcom acquisition on July 11<sup>th</sup>, 2012
  - ▷ Closing transaction on time
  - ▷ Paid **€292m** in cash\*
- ▶ A confirmed **solid situation** for 2012
  - ▷ FY11 revenue: **~€65m**
  - ▷ Expecting **FY12** revenue to be **up ~15%** YoY
- ▶ Estimated **positive impact** on 2012 non-IFRS **EPS** of **~+2%**

\* less assumed liabilities

# GEOVIA, a New Brand to Model & Simulate our Planet



## ▶ GEOVIA mission

- ▶ Improve **predictability, efficiency, safety** and **sustainability** of **natural resources**
- ▶ Leader in the mining industry, extend capabilities to other **sectors processing natural resources** (Water, Vegetation, Oil & Gas ...), as well as sectors **managing landscaping, city planning** ...
- ▶ Extend capabilities in **core industries** (Transportation & Mobility, Marine & Offshore, Industrial Equipment, Energy, Process & Utilities ...)

## ▶ Rick Moignard becomes **CEO** of **GEOVIA**



# Agenda

1

Q2 2012 Business & Strategy Review

2

Q2 2012 Business Highlights

3

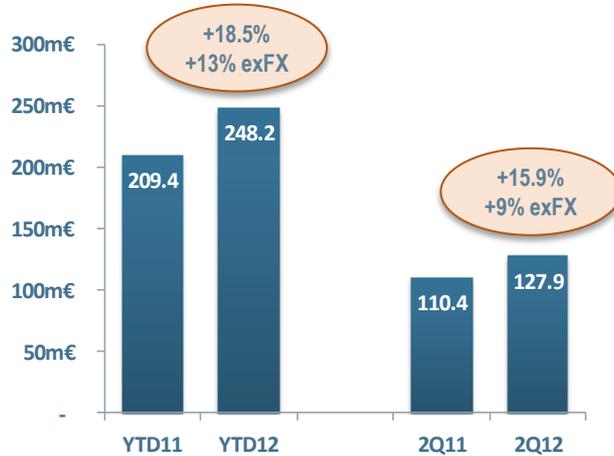
Q3 & FY12 Financial Objectives

4

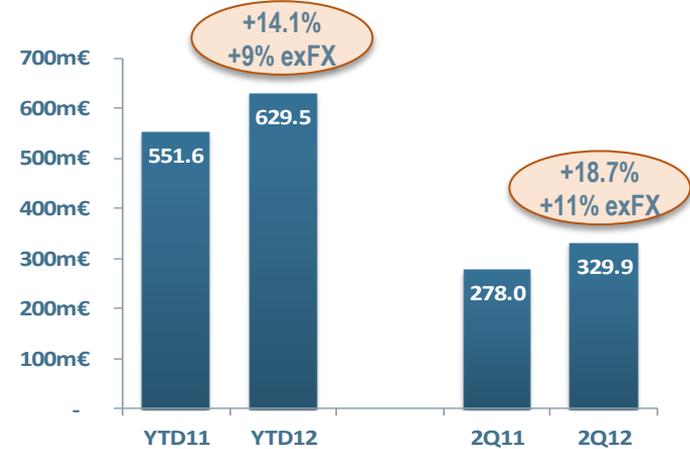
Financial Information Appendix

# New Licenses & Recurring Revenue Growth Non-IFRS\*

New Licenses Revenue



Periodic Licenses, Maintenance and Product Development Revenue



Rental up **~20%** YoY in Q2 2012

Catch-up payments adding **~3 points** of growth in recurring revenue

In accordance to IFRS, New licenses revenue was €110.4m in 2Q11 and €127.9m in 2Q12, growing 15.9%.  
 In accordance to IFRS, Recurring revenue (incl. AD) was €278.0m in 2Q11 and €329.9m in 2Q12, growing 18.5%.

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

# Revenue by Region Non-IFRS\*

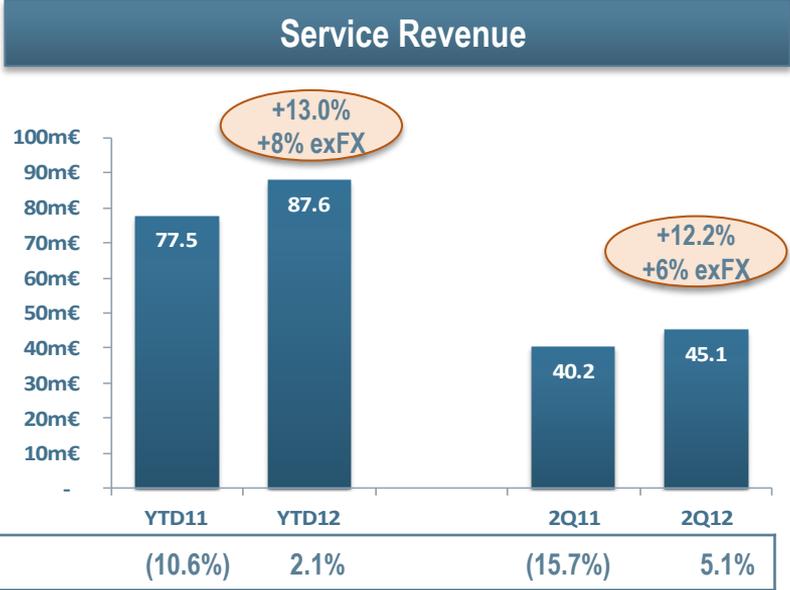
- ▶ Increased sales cycle in the **Americas**
- ▶ Continued healthy growth in **Europe**
- ▶ **Korea** performing well - Continued improvement in **Japan**

## Revenue Growth ex FX by Region

	Q2 12	YTD 12
Americas	+0%	+4%
Europe	+19%	+14%
Asia	+8%	+11%
<b>Total Revenue</b>	<b>+10%</b>	<b>+10%</b>

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

# Service Revenue & Margin Evolution Non-IFRS\*

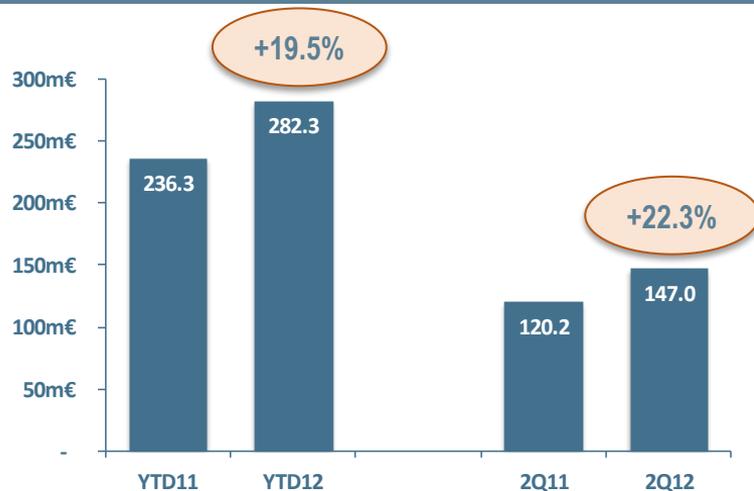


**Improved service margin**

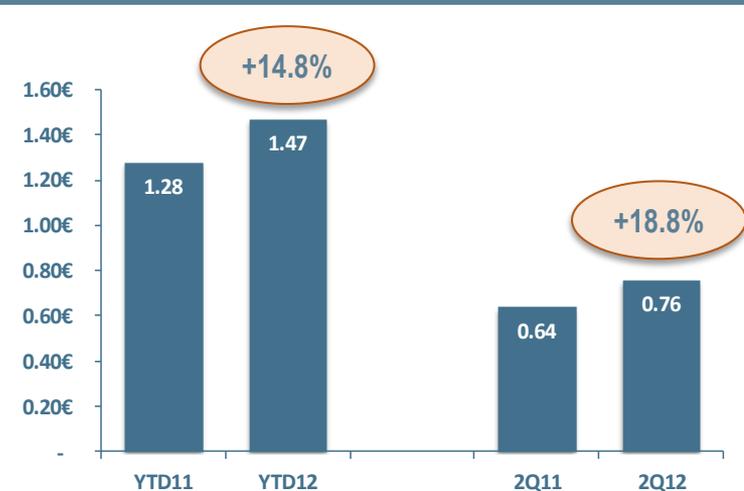
\* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

# Operating Income Evolution & EPS Non-IFRS\*

Operating Income



EPS

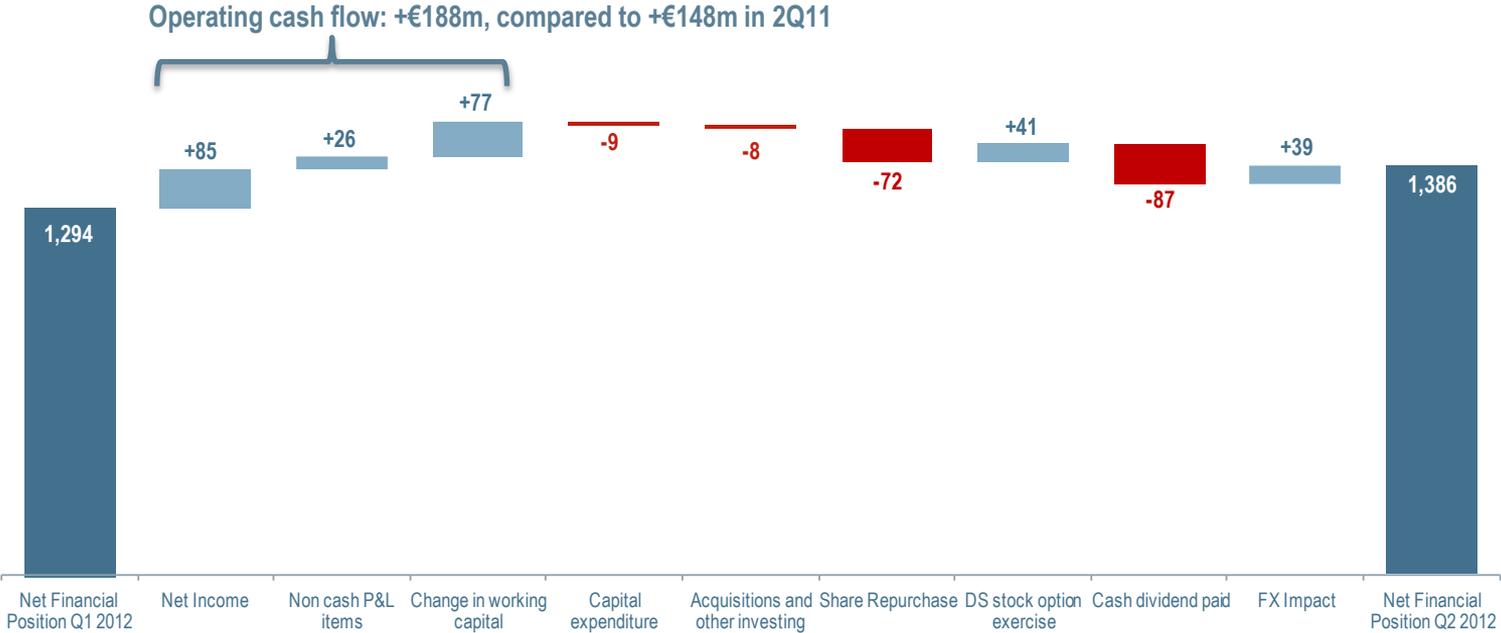


Operating Income 28.2% 29.2% 28.0% 29.2%

**Operating margin expansion** reflecting essentially **operating leverage** (favorable impact of currencies 0.5 pt)  
**Strong EPS growth**

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

# Change in Net Financial Position – 2Q12 IFRS



Note: Net financial position is defined as Cash and Cash Equivalents + Short Term Investments – Long-term debt  
 The Q1 and Q2 2012 net financial position are also net of the €200 million financial debt which has been reclassified from long-term to short-term debt as of December 31, 2011

# Agenda

1

Q2 2012 Business & Strategy Review

2

Q2 2012 Business Highlights

3

Q3 & FY12 Financial Objectives

4

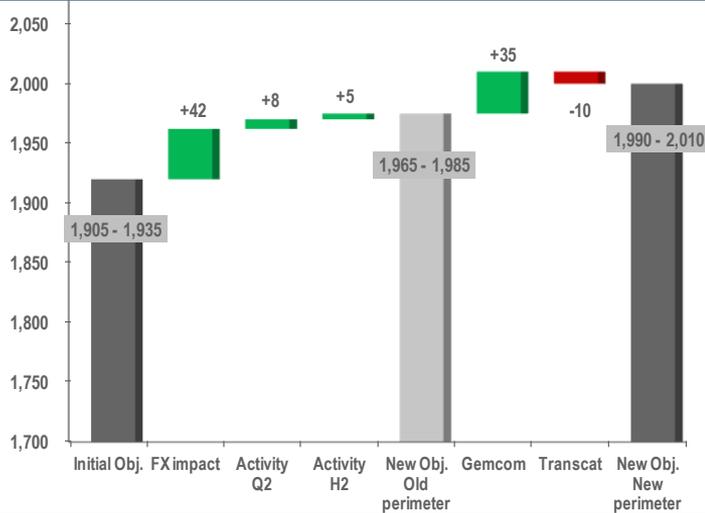
Financial Information Appendix

# Upgrading FY 2012 Financial Objectives

- ▶ **Upgrading 2012** financial objectives for **full Q2 revenue over-performance** and **better Q3** than originally anticipated
- ▶ **Including Gemcom acquisition**
- ▶ **Excluding Transcat PLM spin-off**
- ▶ **Factoring tax items** rise for ~€7m (social charges, local charges, income tax)
- ▶ **Updating currency rate assumptions for the 2 remaining quarters**
  - ▷ from US\$1.36 per €1.00 to US\$1.30 → FY12 : US\$1.30
  - ▷ from JPY115.0 per €1.00 to JPY 110.0 → FY12: JPY107.0

# Objectives change: from April to July Non-FRS

## Revenue (€m)



Mid-range 1,920

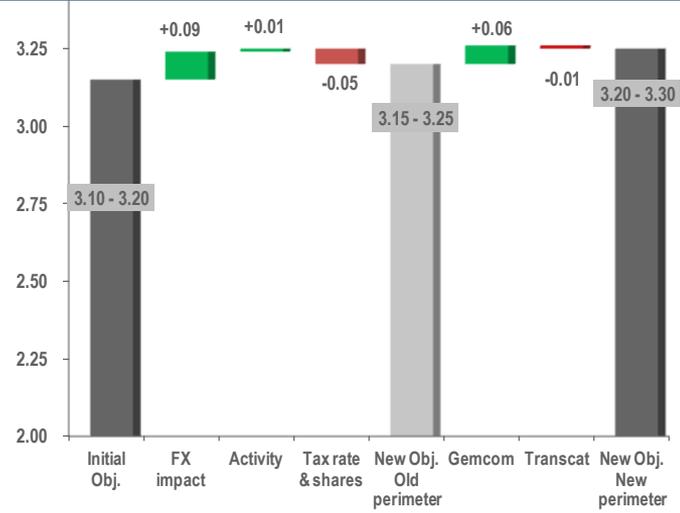
2,000

ExFX Growth

+6-8%

+8-9%

## EPS (€)



Mid-range 3.15

3.25

Growth

+6-10%

+10-13%

# Proposed Objectives

## Non-IFRS

€ millions	3Q 2012	FY 2012
Revenue	480-490	1,990-2,010
Growth	+11-13%	+12-13%
<b>Growth ex FX</b>	<b>+8-10%</b>	<b>+8-9%</b>
Operating Margin	31-32%	~31%
<b>Operating Margin Growth</b>	<b>~flat</b>	<b>~+1pt</b>
EPS (€)	0.78-0.82	3.20-3.30
<b>EPS Growth</b>	<b>+1-6%</b>	<b>+10-13%</b>
€/\$ rates	1.30	1.30
€/¥ rates (before hedging)	110.0	107.0

# Agenda

1

Q2 2012 Business & Strategy Review

2

Q2 2012 Business Highlights

3

Q3 & FY12 Financial Objectives

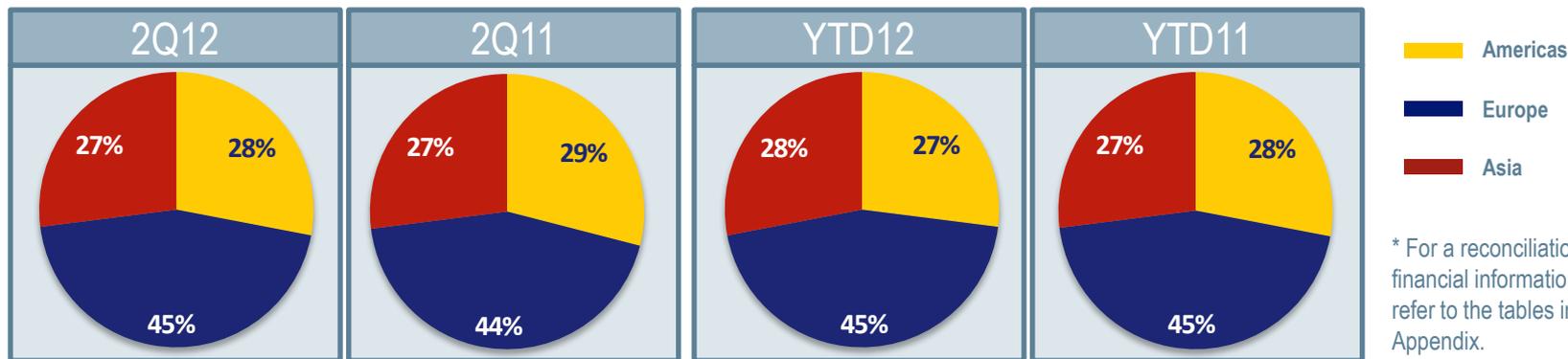
4

Financial Information Appendix

# Revenue by Region

IFRS

<i>in €m</i>	2Q12	2Q11	Growth	Growth ex FX	YTD12	YTD11	Growth	Growth ex FX
Americas	139.2	124.4	+12%	+0%	265.6	237.1	+12%	+4%
Europe	228.2	188.4	+21%	+19%	432.3	375.2	+15%	+14%
Asia	135.5	115.8	+17%	+8%	267.4	225.8	+18%	+11%
<b>Total Revenue</b>	<b>502.9</b>	<b>428.6</b>	<b>+17%</b>	<b>+10%</b>	<b>965.3</b>	<b>838.1</b>	<b>+15%</b>	<b>+10%</b>

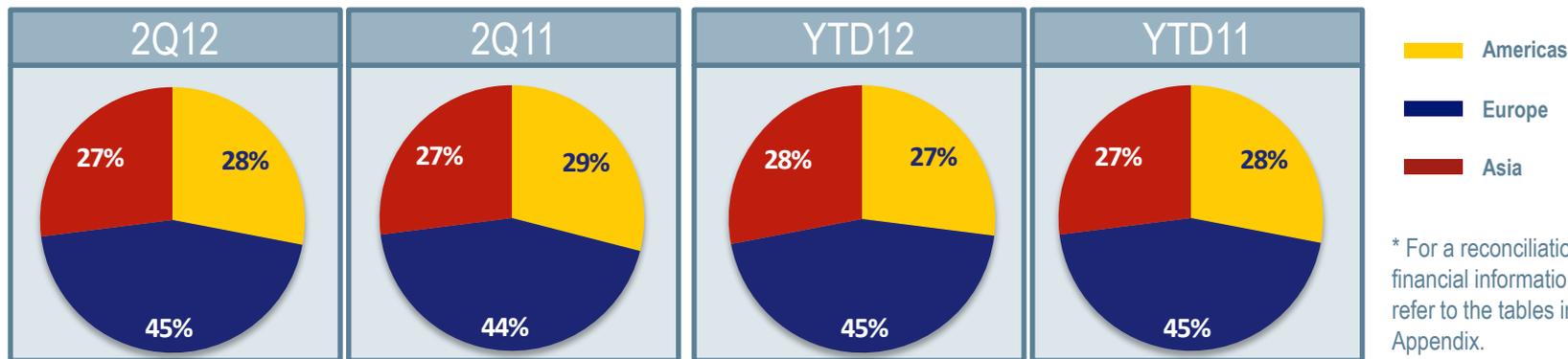


\* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

# Revenue by Region

Non-IFRS\*

<i>in €m</i>	2Q12	2Q11	Growth	Growth ex FX	YTD12	YTD11	Growth	Growth ex FX
Americas	139.2	124.4	+12%	+0%	265.6	237.2	+12%	+4%
Europe	228.2	188.4	+21%	+19%	432.3	375.2	+15%	+14%
Asia	135.5	115.8	+17%	+8%	267.4	226.1	+18%	+11%
<b>Total Revenue</b>	<b>502.9</b>	<b>428.6</b>	<b>+17%</b>	<b>+10%</b>	<b>965.3</b>	<b>838.5</b>	<b>+15%</b>	<b>+10%</b>

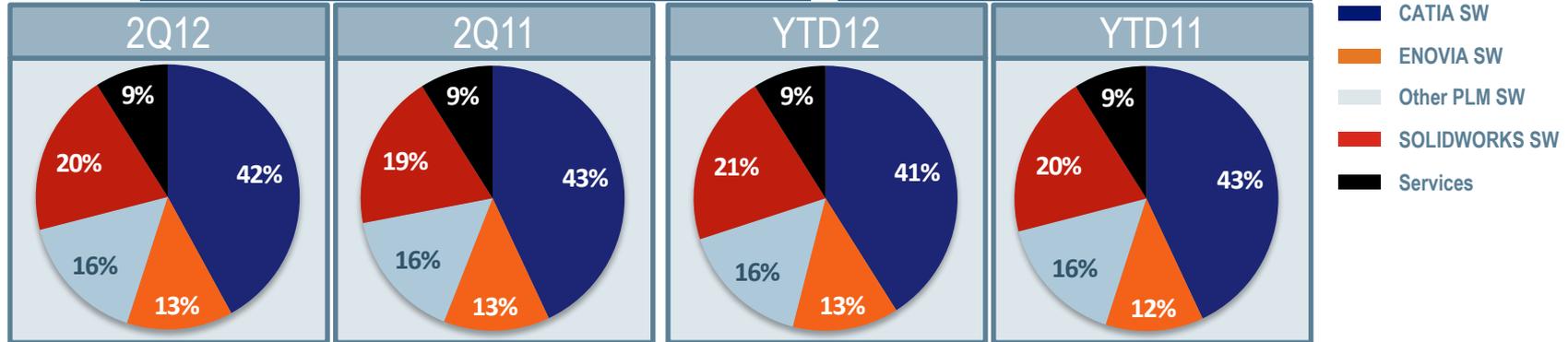


\* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

# Revenue by Product Line

IFRS

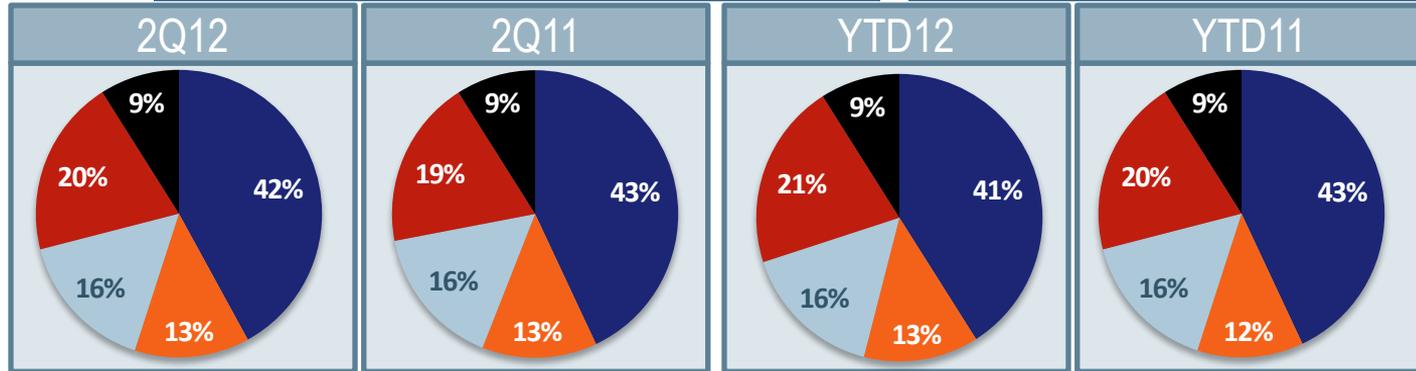
in €m	2Q12	2Q11	Growth	Growth ex FX	YTD12	YTD11	Growth	Growth ex FX
<b>PLM SW</b>	<b>356.3</b>	<b>307.0</b>	<b>+16%</b>	<b>+9%</b>	<b>677.8</b>	<b>595.1</b>	<b>+14%</b>	<b>+9%</b>
CATIA SW	208.5	183.1	+14%	+8%	398.4	359.7	+11%	+7%
ENOVIA SW	65.8	55.9	+18%	+9%	123.9	103.9	+19%	+13%
Other PLM SW	82.0	68.0	+21%	+13%	155.5	131.5	+18%	+13%
<b>SOLIDWORKS SW</b>	<b>101.5</b>	<b>81.4</b>	<b>+25%</b>	<b>+15%</b>	<b>199.9</b>	<b>165.5</b>	<b>+21%</b>	<b>+14%</b>
Services	45.1	40.2	+12%	+6%	87.6	77.5	+13%	+8%
<b>Total Revenue</b>	<b>502.9</b>	<b>428.6</b>	<b>+17%</b>	<b>+10%</b>	<b>965.3</b>	<b>838.1</b>	<b>+15%</b>	<b>+10%</b>



# Revenue by Product Line

Non-IFRS\*

in €m	2Q12	2Q11	Growth	Growth ex FX	YTD12	YTD11	Growth	Growth ex FX
<b>PLM SW</b>	<b>356.3</b>	<b>307.0</b>	<b>+16%</b>	<b>+9%</b>	<b>677.8</b>	<b>595.5</b>	<b>+14%</b>	<b>+9%</b>
CATIA SW	208.5	183.1	+14%	+8%	398.4	360.1	+11%	+7%
ENOVIA SW	65.8	55.9	+18%	+9%	123.9	103.9	+19%	+13%
Other PLM SW	82.0	68.0	+21%	+13%	155.5	131.5	+18%	+12%
<b>SOLIDWORKS SW</b>	<b>101.5</b>	<b>81.4</b>	<b>+25%</b>	<b>+15%</b>	<b>199.9</b>	<b>165.5</b>	<b>+21%</b>	<b>+14%</b>
<b>Services</b>	<b>45.1</b>	<b>40.2</b>	<b>+12%</b>	<b>+6%</b>	<b>87.6</b>	<b>77.5</b>	<b>+13%</b>	<b>+8%</b>
<b>Total Revenue</b>	<b>502.9</b>	<b>428.6</b>	<b>+17%</b>	<b>+10%</b>	<b>965.3</b>	<b>838.5</b>	<b>+15%</b>	<b>+10%</b>

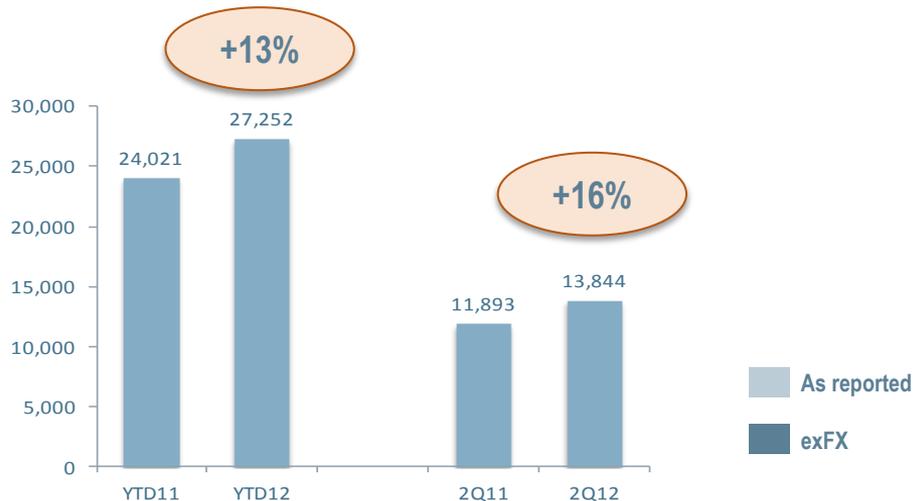


- CATIA SW
- ENOVIA SW
- Other PLM SW
- SOLIDWORKS SW
- Services

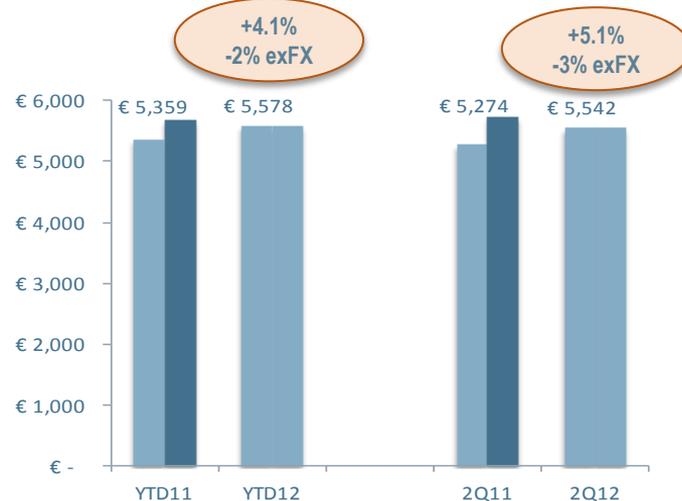
\* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

# SOLIDWORKS Dynamic

## Number of Units



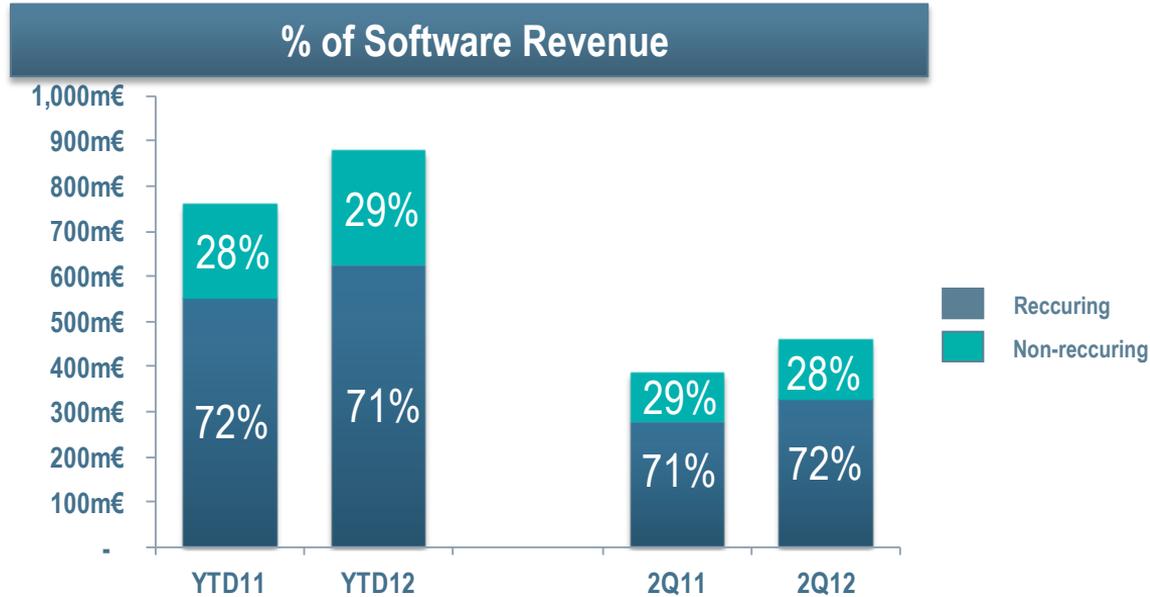
## ASP (€)



Note: assuming a 45% average VAR margin.

# Software Reccurring Revenue Evolution

Non-IFRS\*



Recurring Software Revenue growth exFX of +11% in 2Q12 YoY  
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		
	2012	2011	y/y	2012	2011	y/y
Software revenue	457.8	388.4	+17.9%	877.7	760.6	+15.4%
New licenses	127.9	110.4	+15.9%	248.2	209.4	+18.5%
Product development	1.8	0.8	+125.0%	3.8	1.1	N/S
Periodic licenses and Maintenance	328.1	277.2	+18.4%	625.7	550.1	+13.7%
Service and other revenue	45.1	40.2	+12.2%	87.6	77.5	+13.0%
<b>Total revenue</b>	<b>502.9</b>	<b>428.6</b>	<b>+17.3%</b>	<b>965.3</b>	<b>838.1</b>	<b>+15.2%</b>
Cost of Software revenue	(22.0)	(18.8)	+17.0%	(44.4)	(37.8)	+17.5%
Cost of Service and other revenue	(42.9)	(46.6)	(7.9%)	(86.0)	(85.9)	+0.1%
Research and development	(92.9)	(83.1)	+11.8%	(179.3)	(160.0)	+12.1%
Marketing and sales	(165.9)	(128.0)	+29.6%	(310.5)	(259.5)	+19.7%
General and administrative	(37.2)	(35.9)	+3.6%	(73.3)	(66.8)	+9.7%
Amortization of acquired intangibles	(21.8)	(20.5)	+6.3%	(43.3)	(41.8)	+3.6%
Other operating income and expense, net	6.3	(2.5)	N/S	4.1	(2.3)	N/S
<b>Total operating expenses</b>	<b>(376.4)</b>	<b>(335.4)</b>	<b>+12.2%</b>	<b>(732.7)</b>	<b>(654.1)</b>	<b>+12.0%</b>
<b>Operating income</b>	<b>126.5</b>	<b>93.2</b>	<b>+35.7%</b>	<b>232.6</b>	<b>184.0</b>	<b>+26.4%</b>
Financial revenue and other, net	0.8	1.1	(27.3%)	5.1	4.4	+15.9%
Income tax expense	(42.0)	(30.0)	+40.0%	(79.2)	(60.2)	+31.6%
Non-controlling interest	(1.0)	0.0	N/A	(2.1)	(0.1)	N/S
<b>Net Income</b> (to equity holders of the parent)	<b>84.3</b>	<b>64.3</b>	<b>+31.1%</b>	<b>156.4</b>	<b>128.1</b>	<b>+22.1%</b>
<b>Diluted net income per share (EPS)</b>	<b>0.67</b>	<b>0.52</b>	<b>+28.8%</b>	<b>1.25</b>	<b>1.03</b>	<b>+21.4%</b>
Average diluted shares (Million)	125.9	124.2		125.5	124.0	

# IFRS P&L (%)

	Three months ended June		Six months ended June	
	2012	2011	2012	2011
	<u>% of revenue</u>		<u>% of revenue</u>	
Software revenue	91.0%	90.6%	90.9%	90.8%
New licenses	25.4%	25.8%	25.7%	25.0%
Product development	0.4%	0.2%	0.4%	0.1%
Periodic licenses and Maintenance	65.2%	64.7%	64.8%	65.6%
Service and other revenue	9.0%	9.4%	9.1%	9.2%
<b>Total revenue</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Cost of Software revenue	4.4%	4.4%	4.6%	4.5%
Cost of Service and other revenue	8.5%	10.9%	8.9%	10.2%
Research and development	18.5%	19.4%	18.6%	19.1%
Marketing and sales	33.0%	29.9%	32.2%	31.0%
General and administrative	7.4%	8.4%	7.6%	8.0%
Amortization of acquired intangibles	4.3%	4.8%	4.5%	5.0%
Other operating income and expense, net	-1.3%	0.6%	-0.4%	0.3%
<b>Total operating expenses</b>	<b>74.8%</b>	<b>78.3%</b>	<b>75.9%</b>	<b>78.0%</b>
<b>Operating income</b>	<b>25.2%</b>	<b>21.7%</b>	<b>24.1%</b>	<b>22.0%</b>
Financial revenue and other, net	0.2%	0.3%	0.5%	0.5%
<b>Income before income taxes</b>	<b>25.3%</b>	<b>22.0%</b>	<b>24.6%</b>	<b>22.5%</b>
<b>Income tax rate (% of IBIT)</b>	<b>33.0%</b>	<b>31.8%</b>	<b>33.3%</b>	<b>32.0%</b>
Non-controlling interest	-0.2%	0.0%	-0.2%	0.0%
<b>Net Income (to equity holders of the parent)</b>	<b><u>16.8%</u></b>	<b><u>15.0%</u></b>	<b><u>16.2%</u></b>	<b><u>15.3%</u></b>

# Non-IFRS P&L

(In millions of €, except per share data)

	Three months ended June			Six months ended June		
	2012	2011	y/y	2012	2011	y/y
Software revenue	457.8	388.4	+17.9%	877.7	761.0	+15.3%
New licenses	127.9	110.4	+15.9%	248.2	209.4	+18.5%
Product development	1.8	0.8	+125.0%	3.8	1.1	N/S
Periodic licenses and Maintenance	328.1	277.2	+18.4%	625.7	550.5	+13.7%
Service and other revenue	45.1	40.2	+12.2%	87.6	77.5	+13.0%
<b>Total revenue</b>	<b>502.9</b>	<b>428.6</b>	<b>+17.3%</b>	<b>965.3</b>	<b>838.5</b>	<b>+15.1%</b>
Cost of Software revenue	(22.0)	(18.7)	+17.6%	(44.3)	(37.7)	+17.5%
Cost of Service and other revenue	(42.8)	(46.5)	(8.0%)	(85.8)	(85.7)	+0.1%
Research and development	(90.5)	(81.2)	+11.5%	(174.3)	(156.3)	+11.5%
Marketing and sales	(164.6)	(127.0)	+29.6%	(307.8)	(257.5)	+19.5%
General and administrative	(36.0)	(35.0)	+2.9%	(70.8)	(65.0)	+8.9%
<b>Total operating expenses</b>	<b>(355.9)</b>	<b>(308.4)</b>	<b>+15.4%</b>	<b>(683.0)</b>	<b>(602.2)</b>	<b>+13.4%</b>
<b>Operating income</b>	<b>147.0</b>	<b>120.2</b>	<b>+22.3%</b>	<b>282.3</b>	<b>236.3</b>	<b>+19.5%</b>
Financial revenue and other, net	1.0	(0.6)	N/S	2.7	(0.6)	N/S
<b>Income before income taxes</b>	<b>148.0</b>	<b>119.6</b>	<b>+23.7%</b>	<b>285.0</b>	<b>235.7</b>	<b>+20.9%</b>
Income tax expense	(51.5)	(39.9)	+29.1%	(98.5)	(77.2)	+27.6%
Non-controlling interest	(1.0)	0.0	N/A	(2.1)	(0.1)	N/S
<b>Net Income (to equity holders of the parent)</b>	<b>95.5</b>	<b>79.7</b>	<b>+19.8%</b>	<b>184.4</b>	<b>158.4</b>	<b>+16.4%</b>
<b>Diluted net income per share (EPS)</b>	<b>0.76</b>	<b>0.64</b>	<b>+18.8%</b>	<b>1.47</b>	<b>1.28</b>	<b>+14.8%</b>
Average diluted shares (Million)	125.9	124.2		125.5	124.0	

# Non-IFRS P&L (%)

	Three months ended June		Six months ended June	
	2012	2011	2012	2011
	<u>% of revenue</u>		<u>% of revenue</u>	
Software revenue	91.0%	90.6%	90.9%	90.8%
New licenses	25.4%	25.8%	25.7%	25.0%
Product development	0.4%	0.2%	0.4%	0.1%
Periodic licenses and Maintenance	65.2%	64.7%	64.8%	65.7%
Service and other revenue	9.0%	9.4%	9.1%	9.2%
<b>Total revenue</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Cost of Software revenue	4.4%	4.4%	4.6%	4.5%
Cost of Service and other revenue	8.5%	10.8%	8.9%	10.2%
Research and development	18.0%	18.9%	18.1%	18.6%
Marketing and sales	32.7%	29.6%	31.9%	30.7%
General and administrative	7.2%	8.2%	7.3%	7.8%
<b>Total operating expenses</b>	<b>70.8%</b>	<b>72.0%</b>	<b>70.8%</b>	<b>71.8%</b>
<b>Operating income</b>	<b>29.2%</b>	<b>28.0%</b>	<b>29.2%</b>	<b>28.2%</b>
Financial revenue and other, net	0.2%	-0.1%	0.3%	-0.1%
<b>Income before income taxes</b>	<b>29.4%</b>	<b>27.9%</b>	<b>29.5%</b>	<b>28.1%</b>
<b>Income tax rate (% of IBIT)</b>	<b>34.8%</b>	<b>33.4%</b>	<b>34.6%</b>	<b>32.8%</b>
Non-controlling interest	-0.2%	0.0%	-0.2%	0.0%
<b>Net Income (to equity holders of the parent)</b>	<b><u>19.0%</u></b>	<b><u>18.6%</u></b>	<b><u>19.1%</u></b>	<b><u>18.9%</u></b>

# IFRS – Non-IFRS Reconciliation – 2Q12

## Revenue and Gross Margin

(€ million, except % and per share data)	Three months ended June 30,						Increase (Decrease)	
	2012 IFRS	Adjustment (1)	2012 non-IFRS	2011 IFRS	Adjustment (1)	2011 non-IFRS	IFRS	Non-IFRS (2)
<b>TOTAL REVENUE</b>	<b>502.9</b>			<b>428.6</b>			<b>+17.3%</b>	
<b>Total Revenue breakdown by activity</b>								
Software revenue	457.8			388.4			+17.9%	
<i>New Licenses revenue</i>	127.9			110.4			+15.9%	
<i>Product Development</i>	1.8			0.8				
<i>Periodic and Maintenance revenue</i>	328.1			277.2			+18.4%	
<i>Recurring portion of Software revenue</i>	72%			71%				
Service and other revenue	45.1			40.2			+12.2%	
<b>Total Revenue breakdown by segment</b>								
PLM SW revenue	356.3			307.0			+16.1%	
<i>of which CATIA SW revenue</i>	208.5			183.1			+13.9%	
<i>of which ENOVIA SW revenue</i>	65.8			55.9			+17.7%	
SOLIDWORKS revenue	101.5			81.4			+24.7%	
Service and other revenue	45.1			40.2			+12.2%	
<b>Total Revenue breakdown by geography</b>								
Americas revenue	139.2			124.4			+11.9%	
Europe revenue	228.2			188.4			+21.1%	
Asia revenue	135.5			115.8			+17.0%	
<b>Gross Margin</b>								
Cost of Software revenue	(22.0)			(18.8)	0.1	(18.7)	+17.0%	+17.6%
Software Gross margin*	95.2%			95.2%		95.2%		
Cost of Service and other revenue	(42.9)	0.1	(42.8)	(46.6)	0.1	(46.5)	(7.9%)	(8.0%)
Service Gross margin	4.9%		5.1%	(15.9%)		(15.7%)		

1. In the reconciliation schedule herewith, (i) all adjustments to IFRS revenue data reflect the exclusion of the deferred revenue adjustment of acquired companies.
  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

# IFRS – Non-IFRS Reconciliation – 2Q12

## Expenses & Earnings

(€ million, except % and per share data)	Three months ended June 30,						Increase (Decrease)	
	2012 IFRS	Adjustment (1)	2012 non-IFRS	2011 IFRS	Adjustment (1)	2011 non-IFRS	IFRS	Non-IFRS (2)
<b>Total Operating Expenses</b>	<b>(376.4)</b>	<b>20.5</b>	<b>(355.9)</b>	<b>(335.4)</b>	<b>27.0</b>	<b>(308.4)</b>	<b>+12.2%</b>	<b>+15.4%</b>
Stock-based compensation expense	(5.0)	5.0	-	(4.0)	4.0	-	-	-
Amortization of acquired intangibles	(21.8)	21.8	-	(20.5)	20.5	-	-	-
Other operating income and expense, net	6.3	(6.3)	-	(2.5)	2.5	-	-	-
<b>Operating Income</b>	<b>126.5</b>	<b>20.5</b>	<b>147.0</b>	<b>93.2</b>	<b>27.0</b>	<b>120.2</b>	<b>+35.7%</b>	<b>+22.3%</b>
<b>Operating Margin</b>	<b>25.2%</b>		<b>29.2%</b>	<b>21.7%</b>		<b>28.0%</b>		
Financial revenue & other, net	0.8	0.2	1.0	1.1	(1.7)	(0.6)	(27.3%)	(266.7%)
Income tax expense	(42.0)	(9.5)	(51.5)	(30.0)	(9.9)	(39.9)	+40.0%	+29.1%
Non-controlling interest impact	(1.0)	0.0	(1.0)	0.0			-	
<b>Net Income</b>	<b>84.3</b>	<b>11.2</b>	<b>95.5</b>	<b>64.3</b>	<b>15.4</b>	<b>79.7</b>	<b>+31.1%</b>	<b>+19.8%</b>
<b>Diluted net income per share, in € (3)</b>	<b>0.67</b>	<b>0.09</b>	<b>0.76</b>	<b>0.52</b>	<b>0.12</b>	<b>0.64</b>	<b>+28.8%</b>	<b>+18.8%</b>

(€ million)	Three months ended June 30,					
	2012 IFRS	Adjust.	2012 non-IFRS	2011 IFRS	Adjust.	2011 non-IFRS
Cost of revenue	(64.9)	0.1	(64.8)	(65.4)	0.2	(65.2)
Research and development	(92.9)	2.4	(90.5)	(83.1)	1.9	(81.2)
Marketing and sales	(165.9)	1.3	(164.6)	(128.0)	1.0	(127.0)
General and administrative	(37.2)	1.2	(36.0)	(35.9)	0.9	(35.0)
<b>Total stock-based compensation expense</b>		<b>5.0</b>			<b>4.0</b>	

- In the reconciliation schedule herewith, (i) adjustments to IFRS operating expenses data reflect the exclusion of the amortization of acquired intangibles, share based compensation expense, and other operating income and expense, (iii) adjustments to IFRS financial revenue and other, net reflect the exclusion of certain one-time financial gains and losses in 2011 and 2012, and (iv) all adjustments to IFRS income data reflect the combined effect of these adjustments, plus with respect to net income and diluted net income per share, the income tax effect of the non IFRS adjustments.
- 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.
- Based on a weighted average of **125.9** million diluted shares for Q2 2012 and **124.2** million diluted shares for Q2 2011.

# IFRS – Non-IFRS Reconciliation – YTD12

## Revenue and Gross Margin

(€ million, except % and per share data)	Six months ended June 30,						Increase (Decrease)	
	2012 IFRS	Adjustment (1)	2012 non-IFRS	2011 IFRS	Adjustment (1)	2011 non-IFRS	IFRS	Non-IFRS (2)
<b>TOTAL REVENUE</b>	<b>965.3</b>			<b>838.1</b>	<b>0.4</b>	<b>838.5</b>	<b>+15.2%</b>	<b>+15.1%</b>
<b>Total Revenue breakdown by activity</b>								
Software revenue	877.7			760.6	0.4	761.0	+15.4%	+15.3%
<i>New Licenses revenue</i>	248.2			209.4			+18.5%	
<i>Product Development</i>	3.8			1.1				
<i>Periodic and Maintenance revenue</i>	625.7			550.1	0.4	550.5	+13.7%	+13.7%
<i>Recurring portion of Software revenue</i>	71%			72%		72%		
Service and other revenue	87.6			77.5			+13.0%	
<b>Total Revenue breakdown by segment</b>								
PLM SW revenue	677.8			595.1	0.4	595.5	+13.9%	+13.8%
<i>of which CATIA SW revenue</i>	398.4			359.7	0.4	360.1	+10.8%	+10.6%
<i>of which ENOVIA SW revenue</i>	123.9			103.9			+19.2%	
SOLIDWORKS revenue	199.9			165.5			+20.8%	
Service and other revenue	87.6			77.5			+13.0%	
<b>Total Revenue breakdown by geography</b>								
Americas revenue	265.6			237.1	0.1	237.2	+12.0%	+12.0%
Europe revenue	432.3			375.2			+15.2%	
Asia revenue	267.4			225.8	0.3	226.1	+18.4%	+18.3%
<b>Gross Margin</b>								
Cost of Software revenue	(44.4)	0.1	(44.3)	(37.8)	0.1	(37.7)	+17.5%	+17.5%
Software Gross margin*	94.9%		95.0%	95.0%		95.0%		
Cost of Service and other revenue	(86.0)	0.2	(85.8)	(85.9)	0.2	(85.7)	+0.1%	+0.1%
Service Gross margin	1.8%		2.1%	(10.8%)		(10.6%)		

1. In the reconciliation schedule herewith, (i) all adjustments to IFRS revenue data reflect the exclusion of the deferred revenue adjustment of acquired companies.
  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

# IFRS – Non-IFRS Reconciliation – YTD12

## Expenses & Earnings

( <i>€ million, except % and per share data</i> )	Six months ended June 30,						Increase (Decrease)	
	2012 IFRS	Adjustment (1)	2012 non-IFRS	2011 IFRS	Adjustment (1)	2011 non-IFRS	IFRS	Non-IFRS (2)
<b>Total Operating Expenses</b>	<b>(732.7)</b>	<b>49.7</b>	<b>(683.0)</b>	<b>(654.1)</b>	<b>51.9</b>	<b>(602.2)</b>	<b>+12.0%</b>	<b>+13.4%</b>
Stock-based compensation expense	(10.5)	10.5	-	(7.8)	7.8	-	-	-
Amortization of acquired intangibles	(43.3)	43.3	-	(41.8)	41.8	-	-	-
Other operating income and expense, net	4.1	(4.1)	-	(2.3)	2.3	-	-	-
<b>Operating Income</b>	<b>232.6</b>	<b>49.7</b>	<b>282.3</b>	<b>184.0</b>	<b>52.3</b>	<b>236.3</b>	<b>+26.4%</b>	<b>+19.5%</b>
<b>Operating Margin</b>	<b>24.1%</b>		<b>29.2%</b>	<b>22.0%</b>		<b>28.2%</b>		
Financial revenue & other, net	5.1	(2.4)	2.7	4.4	(5.0)	(0.6)	+15.9%	(550.0%)
Income tax expense	(79.2)	(19.3)	(98.5)	(60.2)	(17.0)	(77.2)	+31.6%	+27.6%
Non-controlling interest impact	(2.1)	0.0	(2.1)	(0.1)			-	
<b>Net Income</b>	<b>156.4</b>	<b>28.0</b>	<b>184.4</b>	<b>128.1</b>	<b>30.3</b>	<b>158.4</b>	<b>+22.1%</b>	<b>+16.4%</b>
<b>Diluted net income per share, in € (3)</b>	<b>1.25</b>	<b>0.22</b>	<b>1.47</b>	<b>1.03</b>	<b>0.25</b>	<b>1.28</b>	<b>+21.4%</b>	<b>+14.8%</b>

( <i>€ million</i> )	Six months ended June 30,					
	2012 IFRS	Adjust.	2012 non-IFRS	2011 IFRS	Adjust.	2011 non-IFRS
Cost of revenue	(130.4)	0.3	(130.1)	(123.7)	0.3	(123.4)
Research and development	(179.3)	5.0	(174.3)	(160.0)	3.7	(156.3)
Marketing and sales	(310.5)	2.7	(307.8)	(259.5)	2.0	(257.5)
General and administrative	(73.3)	2.5	(70.8)	(66.8)	1.8	(65.0)
<b>Total stock-based compensation expense</b>		<b>10.5</b>			<b>7.8</b>	

1. In the reconciliation schedule herewith, (i) adjustments to IFRS operating expenses data reflect the exclusion of the amortization of acquired intangibles, share based compensation expense, and other operating income and expense, (iii) adjustments to IFRS financial revenue and other, net reflect the exclusion of certain one-time financial gains and losses in 2011 and 2012, and (iv) all adjustments to IFRS income data reflect the combined effect of these adjustments, plus with respect to net income and diluted net income per share, the income tax effect of the non IFRS adjustments.
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 **125.5** million diluted shares for YTD 2012 and **124.0** million diluted shares for YTD 2011.

# Financial Revenue & Other

## Non-IFRS

€m	<u>2Q12</u>	<u>2Q11</u>	Growth	<u>YTD12</u>	<u>YTD11</u>	Growth
<b>Interest Income</b>	4.8	2.6	85%	10.7	5.6	91%
<b>Interest Expense</b>	(2.4)	(1.4)	71%	(4.6)	(3.8)	21%
<b>Financial net Income</b>	2.4	1.2	100%	6.1	1.8	239%
<b>Exchange Gain / Loss</b>	(1.8)	(1.9)	(5%)	(3.4)	(3.1)	10%
<b>Other Income / Loss</b>	0.4	0.1	300%	0.0	0.7	(100%)
<b>Total</b>	1.0	(0.6)	N/S	2.7	(0.6)	N/S

# Exchange Rate Evolution

From assumptions to actual data

Breakdown of P&L by currency for 2Q12

	USD	JPY
Revenue <i>(As a % of Revenue)</i>	35.5%	15.8%
<i>Of which was hedged</i>	-	~9%
Operating Expenses <i>(As a % of Expenses)</i>	36.6%	5.9%

\$/€ – 2Q12 / 2Q11 Variance



Average Exchange rates

		2012	2011	% change
YTD	USD	1.30	1.40	-7.7%
	JPY	103.3	115.0	-10.2%
Quarter	USD	1.28	1.44	-11.0%
	JPY	102.6	117.4	-12.6%

¥/€ – 2Q12 / 2Q11 Variance



# Comparing 2Q12 with Objectives

## Non-IFRS

	Revenue	Operating Expenses	Operating Profit	Operating Margin
<b>2Q12 Guidances</b>	<b>475.0</b>	<b>342.0</b>	<b>133.0</b>	<b>28.0%</b>
<i>Growth YoY</i>	<i>+10.8%</i>	<i>+10.9%</i>	<i>+10.6%</i>	<i>+0.0pts</i>
\$ Impact on Rev./Exp.	+10.6	+7.6	+3.0	
JPY Impact on Rev./Exp.	+9.2	+2.6	+6.6	
Other incl. GBP, WON and Hedging	-0.1	+1.2	-1.3	
<b>Total FX</b>	<b>+19.7</b>	<b>+11.4</b>	<b>+8.3</b>	<b>+0.6pts</b>
<b>Activity / Cost Control / Other</b>	<b>+8.2</b>	<b>+2.5</b>	<b>+5.7</b>	<b>+0.6pts</b>
<b>Delta: Reported vs guidances</b>	<b>+27.9</b>	<b>+13.9</b>	<b>+14.0</b>	<b>+1.2pts</b>
<b>2Q12 Reported</b>	<b>502.9</b>	<b>355.9</b>	<b>147.0</b>	<b>29.2%</b>
<i>Growth YoY</i>	<i>+17.3%</i>	<i>+15.4%</i>	<i>+22.3%</i>	<i>+1.2pts</i>
<b>2Q11 Reported</b>	<b>428.6</b>	<b>308.4</b>	<b>120.2</b>	<b>28.0%</b>

# Estimated FX impact on 2Q12 Op. Results

Non-IFRS\*

€ millions QTD	Total Revenue	Operating Expenses	Operating Income	Operating Margin
2Q12 Reported	502.9	(355.9)	147.0	29.2%
2Q11 Reported	428.6	(308.4)	120.2	28.0%
<i>Growth as reported</i>	+17.3%	+15.4%	+22.3%	+1.2 pts
<b>Impact of Actual Currency Rates</b>				
USD impact	19.7	(13.5)	6.2	
JPY impact (Not hedged)	9.5	(2.6)	6.9	
Other currencies impact and Hedging	(1.3)	(1.2)	(2.5)	
<b>Total FX Impact adjustment</b>	<b>27.9</b>	<b>(17.3)</b>	<b>10.6</b>	
2Q11 @ 2Q12 rates	456.5	(325.7)	130.8	28.7%
<i>Growth exFX</i>	+10%	+9%	+12%	+0.5 pts

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

# Estimated FX impact on YTD12 Op. Results

Non-IFRS\*

€ millions YTD	Total Revenue	Operating Expenses	Operating Income	Operating Margin
YTD 2012 Reported	965.3	(683.0)	282.3	29.2%
YTD 2011 Reported	838.5	(602.2)	236.3	28.2%
<i>Growth as reported</i>	+15.1%	+13.4%	+19.5%	+1.0 pts
<b>Impact of Actual Currency Rates</b>				
USD impact	26.6	(18.4)	8.2	
JPY impact (Not hedged)	15.2	(4.2)	11.0	
Other currencies impact and Hedging	(3.3)	(1.7)	(5.0)	
<b>Total FX Impact adjustment</b>	<b>38.5</b>	<b>(24.3)</b>	<b>14.2</b>	
YTD 2011 @ YTD 2012 rates	877.0	(626.5)	250.5	28.6%
<i>Growth exFX</i>	+10%	+9%	+13%	+0.6 pts

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

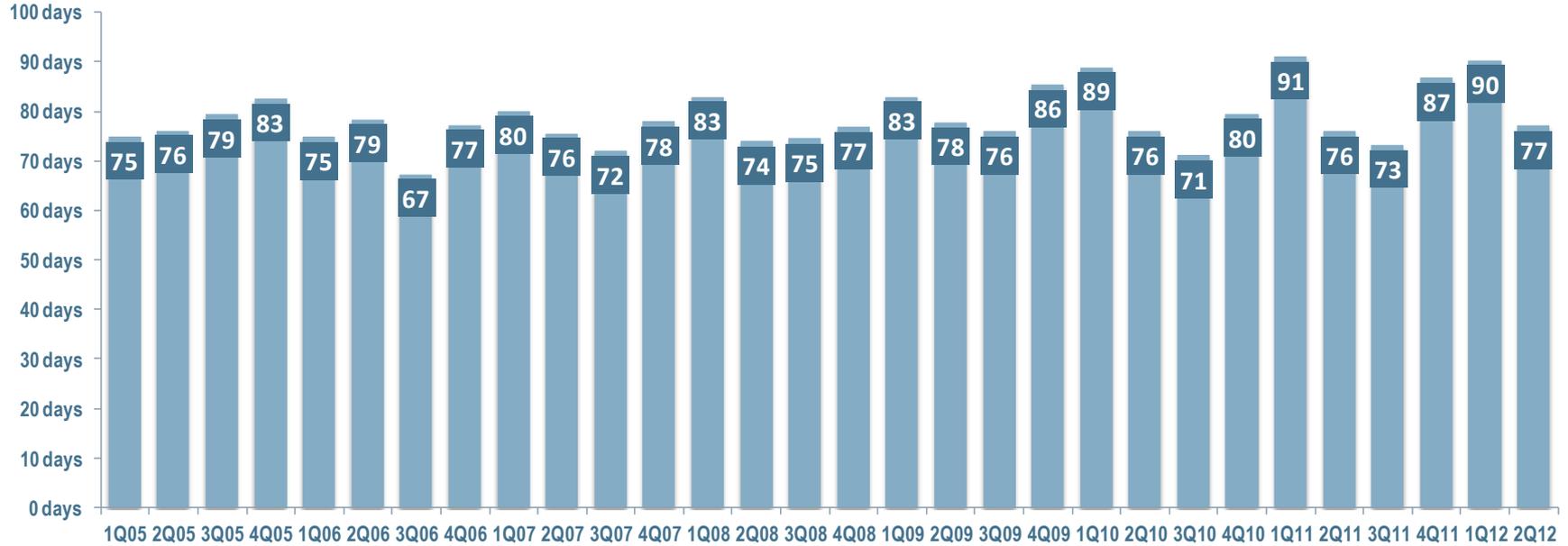
# Detailed Balance-Sheet

## IFRS

(in millions of€)	End of		Variation	End of	
	Jun-12	Mar-12	Jun-12 / Mar-12	Dec-11	Jun-12 / Dec-11
Cash and cash equivalents	1,461.3	1,343.0	+118.3	1,154.3	+307.0
Short-term investments	182.6	216.7	-34.1	268.7	-86.1
Accounts receivable, net	431.1	464.4	-33.3	494.3	-63.2
Other current assets	134.3	148.2	-13.9	139.4	-5.1
<b>Total current assets</b>	<b>2,209.3</b>	<b>2,172.3</b>	<b>+37.0</b>	<b>2,056.7</b>	<b>+152.6</b>
Property and equipment, net	110.9	107.3	+3.6	106.6	+4.3
Goodwill and Intangible assets, net	1,237.5	1,211.5	+26.0	1,241.9	-4.4
Other non current assets	131.6	127.2	+4.4	111.6	+20.0
<b>Total Assets</b>	<b>3,689.3</b>	<b>3,618.3</b>	<b>+71.0</b>	<b>3,516.8</b>	<b>+172.5</b>
Accounts payable	91.5	85.2	+6.3	99.9	-8.4
Unearned revenue	578.7	542.2	+36.5	492.0	+86.7
Short-term debt	229.0	226.5	+2.5	228.9	+0.1
Other current liabilities	299.1	300.8	-1.7	317.3	-18.2
<b>Total current liabilities</b>	<b>1,198.3</b>	<b>1,154.7</b>	<b>+43.6</b>	<b>1,138.1</b>	<b>+60.2</b>
Long-term debt	58.0	66.2	-8.2	72.4	-14.4
Other non current obligations	229.5	214.3	+15.2	222.6	+6.9
<b>Total long-term liabilities</b>	<b>287.5</b>	<b>280.5</b>	<b>+7.0</b>	<b>295.0</b>	<b>-7.5</b>
Non-controlling interest	16.0	16.3	-0.3	17.5	-1.5
Parent Shareholders' equity	2,187.5	2,166.8	+20.7	2,066.2	+121.3
<b>Total Liabilities and Shareholders' Equity</b>	<b>3,689.3</b>	<b>3,618.3</b>	<b>+71.0</b>	<b>3,516.8</b>	<b>+172.5</b>

# Trade Accounts Receivables / DSO

IFRS



# Consolidated Statement of Cash Flows

IFRS

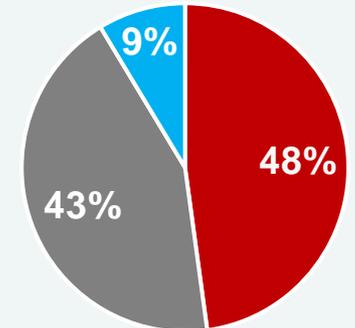
(in millions of €)	2Q12	2Q11	Variation	YTD12	YTD11	Variation
Net income attributable to equity holders of the parent	84.3	64.3	+20.0	156.4	128.1	+28.3
Non-controlling interest	1.0	-	+1.0	2.1	0.1	+2.0
Net income	85.3	64.3	+21.0	158.5	128.2	+30.3
Depreciation of property & equipment	7.0	6.0	+1.0	16.1	12.2	+3.9
Amortization of intangible assets	23.2	21.5	+1.7	45.7	43.6	+2.1
Other non cash P&L items	(4.6)	-	-4.6	0.9	0.5	+0.4
Changes in working capital	77.2	55.8	+21.4	132.6	96.8	+35.8
<b>Net Cash Provided by (Used in) Operating Activities (I)</b>	<b>188.1</b>	<b>147.6</b>	<b>+40.5</b>	<b>353.8</b>	<b>281.3</b>	<b>+72.5</b>
Additions to property, equipment and intangibles	(9.3)	(13.1)	+3.8	(23.7)	(22.3)	-1.4
Payment for acquisition of businesses, net of cash acquired	(1.0)	-	-1.0	(19.1)	(29.5)	+10.4
Sale of fixed assets	0.1	-	+0.1	0.3	0.1	+0.2
Sale (Purchase) of short-term investments, net	36.0	41.3	-5.3	86.9	(121.6)	+208.5
Loans and others	(7.5)	0.6	-8.1	(12.5)	(2.6)	-9.9
<b>Net Cash Provided by (Used in) Investing Activities (II)</b>	<b>18.3</b>	<b>28.8</b>	<b>-10.5</b>	<b>31.9</b>	<b>(175.9)</b>	<b>+207.8</b>
Proceeds (Repayment) of short term and long term debt	(14.0)	(12.8)	-1.2	(14.0)	(12.8)	-1.2
Repurchase of common stock	(71.9)	(61.2)	-10.7	(71.9)	(172.3)	+100.4
Proceeds from exercise of stock-options	41.5	98.9	-57.4	74.2	179.0	-104.8
Cash dividend paid	(86.5)	(65.8)	-20.7	(86.5)	(65.8)	-20.7
<b>Net Cash Provided by (Used in) Financing Activities (III)</b>	<b>(130.9)</b>	<b>(40.9)</b>	<b>-90.0</b>	<b>(98.2)</b>	<b>(71.9)</b>	<b>-26.3</b>
<b>Effect of exchange rate changes on cash and cash equivalents (IV)</b>	<b>42.8</b>	<b>(6.1)</b>	<b>+48.9</b>	<b>19.5</b>	<b>(43.8)</b>	<b>63.3</b>
<b>Increase (Decrease) in Cash (V) = (I)+(II)+(III)+(IV)</b>	<b>118.3</b>	<b>129.4</b>	<b>-11.1</b>	<b>307.0</b>	<b>(10.3)</b>	<b>+317.3</b>
<b>Cash and cash equivalents at Beginning of Period</b>	<b>1,343.0</b>	<b>836.8</b>		<b>1,154.3</b>	<b>976.5</b>	
<b>Cash and cash equivalents at End of Period</b>	<b>1,461.3</b>	<b>966.2</b>		<b>1,461.3</b>	<b>966.2</b>	

# Operating Expenses Evolution

## Headcount

At Closing - TOTAL					
	<u>Jun-12</u>	<u>Jun-11</u>	<u>% growth</u>	<u>Mar-12</u>	<u>% growth</u>
M&S + COR Ser	4,620	4,468	+3%	4,620	-
R&D + COR SW	4,255	4,049	+5%	4,189	+2%
G&A	809	769	+5%	821	-1%
<b>Total</b>	<b>9,684</b>	<b>9,286</b>	<b>+4%</b>	<b>9,630</b>	<b>+1%</b>

Closing H/C – June 2012



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

# IFRS 2012 Objectives

## Accounting Elements Not Included in non-IFRS 2012 Objectives

- FY 2012 estimated **deferred revenue** write-down of about **€0m**
- FY 2012 estimated **share-based compensation** expenses: **~€20m**
- FY 2012 estimated **amortization of acquired intangibles**: **~€85m for 2012**
- **Other operating income and expense, net**
  - 2.2 m€ expense in Q1, 6.3m€ income in Q2, mostly coming from the sale of Transcat
  - No estimate for FY
- **Above non-IFRS adjustments** do not take into account the impact of **Gemcom** acquisition for which the accounting will be finalized in Q3 earnings announcement
- These estimates do not include the impact of **new stock options or share grants** nor **new acquisitions or restructuring** which could take place after July 26<sup>th</sup>, 2012

