

Dassault Systèmes' Reports First Quarter Revenue and EPS Ahead of its Guidance Led by Transportation & Mobility

VÉLIZY-VILLACOUBLAY, France — April 26, 2017 — [Dassault Systèmes](#) (Euronext Paris: #13065, DSY.PA), the 3DEXPERIENCE Company, world leader in 3D design software, 3D Digital Mock Up and Product Lifecycle Management (PLM) solutions, today announced IFRS unaudited financial results for the first quarter ended March 31, 2017. These results were reviewed by the Company's Board of Directors on April 25, 2017.

Summary First Quarter 2017 Highlights

(Unaudited; revenue figures in constant currencies; non-IFRS)

- Total IFRS Revenue up 7% and Non-IFRS Revenue up 8%
- SOLIDWORKS software revenue up 12%
- High Growth Countries software revenue up 17%
- Diversification Industries 32% of total software revenue
- Cash flow from operations up 12% to €348 million
- 2017 non-IFRS financial objectives reaffirmed and upgraded for currency
- Board of Directors proposes 13% increase in annual dividend for the 2016 fiscal year

2017 First Quarter Financial Highlights (Unaudited)

In millions of Euros, except per share data	IFRS			Non-IFRS		
		Change	Change in cc*		Change	Change in cc*
Q1 2017 Total Revenue	759.8	10%	7%	765.7	10%	8%
Q1 2017 Operating Margin	15.7%			26.2%		
Q1 2017 EPS	0.33	-6%		0.53	4%	

*In constant currencies

Bernard Charlès, Dassault Systèmes' Vice Chairman and Chief Executive Officer commented, *"In early April Dassault Systèmes brought together in Milan key innovators from around the globe who demonstrated that a new era, Design in the Age of Experience is well underway. In this era design is about creating experiences, introducing new business plans, leveraging science, learning from nature and creating unique consumer experiences, thanks to increased affordability of virtual and augmented reality technologies.*

"Our software portfolio is well positioned to respond to these new market needs and to help our clients succeed in this new era. FCA, Fiat Chrysler Automobiles, selected our 'Drive Emotion' industry solution experience based on the 3DEXPERIENCE platform to unify its global design studios and to develop the mobility experiences of tomorrow. Working with 3DEXCITE, Ford Motor Company and DS Automobiles, a division of PSA, have created for consumers immersive virtual reality experiences leveraging their digital assets. Partnering with the National Institute for Aerospace Research, the 3DEXPERIENCE Center is opening at Wichita State University as part of WSU's Innovation Campus. This represents another initiative we are doing to contribute

to the aerospace industry's development in important areas such as new engineered materials, additive manufacturing processes and multi-robotics advanced manufacturing.

“From a financial perspective, the strength of our offer translated into 8% non-IFRS revenue growth in constant currencies during the first quarter. Our two largest industries, Transportation & Mobility and Industrial Equipment, drove these results. On top of this our Diversification Industries represented 32% of total software revenue in the quarter, with our presence in High Tech continuing to expand, and notable performances from Consumer Product Goods-Retail and Architecture, Engineering & Construction.”

2017 First Quarter Financial Summary (Unaudited)

In millions of Euros, except per share data	IFRS			Non-IFRS		
		Change	Change in cc*		Change	Change in cc*
Q1 2017 Total Revenue	759.8	10%	7%	765.7	10%	8%
Q1 2017 Software Revenue	670.2	9%	7%	676.1	10%	7%
Q1 2017 Service Revenue	89.6	13%	11%	89.6	13%	10%
Q1 2017 Operating Margin	15.7%			26.2%		
Q1 2017 EPS	0.33	-6%		0.53	4%	

Total Software Revenue in millions of Euros	IFRS			Non-IFRS		
	Q1 2017	Q1 2016	Change in cc*	Q1 2017	Q1 2016	Change in cc*
Americas	201.3	185.4	5%	203.1	186.4	5%
Europe	280.7	258.2	9%	284.4	258.7	10%
Asia	188.2	168.5	6%	188.6	168.8	6%

*In constant currencies

- IFRS total revenue increased 7%. Non-IFRS total revenue increased 8% with software revenue growth of 7% and services revenue growth of 10%. First quarter results include the addition of CST, following the completion of its acquisition on September 30, 2016. Excluding acquisitions, total revenue and software revenue growth would have been 6% and 5%, respectively. (All growth rates in constant currencies.)
- During the 2017 first quarter the Company's largest industries, Transportation and Mobility and Industrial Equipment led the growth in software revenue. Diversification Industries represented 32% of total software revenue in the 2017 first quarter, with the strongest growth recorded in Consumer Products Good-Retail and Architecture, Engineering and Construction, well supported by High Tech.
- On a regional basis, Asia non-IFRS software revenue increased 6% led by China, South Korea and India. In Europe non-IFRS software revenue increased 10% and was led by France and Southern Europe. In the Americas, non-IFRS software revenue increased 5%. The Company saw strong and broad growth in total for High Growth Countries. (All growth rates in constant currencies.)
- Non-IFRS software revenue, which includes new licenses and recurring software revenue, increased 7%. Specifically, recurring software revenue grew 8% on strong maintenance subscription performance and represented 74% of total software revenue in the 2017 first

quarter. New licenses revenue increased 6% including other software revenue. (All growth comparisons are in constant currencies.)

- By product line and on a non-IFRS basis, SOLIDWORKS software revenue increased 12% reflecting a good progression in new licenses software revenue. CATIA software revenue increased 4% with growth across the three regions. ENOVIA software revenue increased 2% with fewer large deals in the quarter compared to the year-ago period. Other Software increased 10% reflecting the addition of CST and on an organic basis was led by QUINTIQ, EXALEAD and SIMULIA. (All growth comparisons are in constant currencies.)
- IFRS operating income decreased 2%. Non-IFRS operating income increased 10% to €200.7 million. The non-IFRS operating margin was stable at 26.2%, with increased investments and acquisition dilution offset by net favorable currency fluctuations.
- The IFRS and non-IFRS effective tax rates were 31.8% and 31.9%, respectively in the 2017 first quarter. In comparison, the year-ago period IFRS and non-IFRS effective tax rates of 19.9% and 25.8%, respectively, benefited from a large tax reserve reversal.
- Net income and net income per share on both an IFRS and non-IFRS basis reflected strong increases in the 2017 first quarter effective income tax rates as discussed above. On an IFRS basis, diluted net income per share of €0.33 decreased 6%. Non-IFRS diluted net income per share of €0.53 increased 4% in total or 15% excluding a 5 cents impact from a reversal of tax reserves in the year-ago first quarter.

Cash Flow and Other Financial Highlights

Net operating cash flow increased 12% to €348 million for the quarter ended March 31, 2017, compared to €309 million for the 2016 first quarter, reflecting working capital evolution including change in timing of US tax down-payments, growth in unearned revenue and net results adjusted for non-cash items.

Dassault Systèmes' net financial position totaled €1.83 billion at March 31, 2017, compared to €1.49 billion at December 31, 2016, reflecting an increase in cash, cash equivalents and short-term investments from €2.49 billion to €2.83 billion, with long-term debt stable at €1.00 billion.

Cash Dividend Recommendation, Annual Shareholders' Meeting Date and Filing of Regulatory Annual Report

The Board of Directors has scheduled the Annual Shareholders' Meeting for May 23, 2017 and is recommending a dividend per share equivalent to €0.53 per share for the fiscal year ended December 31, 2016, representing an increase of approximately 13% compared to the prior year €0.47 per share. In addition, as in recent years, it will also be proposed that each shareholder be granted the option to choose to receive payment of the dividend in cash or new shares. Shareholders may choose payment of the dividend in cash or new shares between May 30, 2017 and June 15, 2017, inclusive. Shares will be traded ex-dividend as of May 30, 2017. Dividends will be made payable as from June 26, 2017. These recommendations are subject to approval by shareholders at the Annual Shareholders' Meeting. For further information, see the Company's 2016 *Document de Référence* filed with the French *Autorité des Marchés Financiers*

(AMF) on March 22, 2017. The 2016 *Document de Référence* and an English language translation of this document are available on the Company's website.

Summary of Recent Business, Technology and Customer Highlights

Customers

On April 6, 2017, Dassault Systèmes announced that Fossil Group, a global lifestyle accessories company, is using its “My Collection” industry solution experience for consumer goods and retail companies, to develop and manage the lifecycles of the company’s diverse and differentiated products. Fossil Group, whose owned and licensed brand accessories are sold globally, was seeking to support its long-term corporate vision to accelerate its business globally. Specifically, it needed a scalable solution to streamline the development of its watch, jewelry and handbag collections, support creativity and innovation, improve sourcing and supply chain management, and launch products closer to consumer demand.

On April 4, 2017, the Company announced that Groupama Team France, one of the five challengers in the 35th America’s Cup sailing competition, is using the “Designed for Sea” industry solution experience to design and simulate a lightweight, high performing racing catamaran that complies with the competition’s design and schedule requirements. Based on Dassault Systèmes’ 3DEXPERIENCE platform, “Designed for Sea” industry solution experience enables Groupama Team France to virtually design, simulate and optimize its catamaran’s weight, performance, stability, strength and safety in a collaborative digital environment, before any construction begins.

On April 5, 2017 Dassault Systèmes announced that Fiat Chrysler Automobiles, the seventh-largest automaker in the world, has begun to deploy the “Drive Emotion” industry solution experience based on the 3DEXPERIENCE platform across its global design studios. A vehicle’s style creates an emotional connection with customers and becomes an important buying criterion for many. Successful design requires designers to harness this emotive power within the context of the broader customer experience and collaborate with different disciplines from aerodynamics to marketing to bring this holistic experience to life.

On March 28, 2017 Dassault Systèmes announced that McDermott International, Inc., a leading provider of engineering, procurement, construction and installation services, has chosen the 3DEXPERIENCE platform to improve efficiency and performance. McDermott will use “Integrated Plant Engineering,” “Optimized Plant Construction” and “Efficient Plant Operation” industry solution experiences to collaboratively engineer, build, and operate fixed and floating offshore production facilities, pipelines and subsea systems for its client base of oil companies.

On March 21, 2017 announced that, Aditya Birla Fashion and Retail Ltd. (ABFRL), India’s largest fashion and lifestyle company has adopted its “My Collection” industry solution experience to accelerate the time to market of its fashion collections and increase consumer satisfaction. ABFRL is India's number one fashion lifestyle entity. The company recently engaged in a customer-centric strategy to develop innovative collections inspired by customers and trendsetters for its more than 7,000 points of sale across premium multi-brand

stores and department stores. With Dassault Systèmes' "My Collection," the company has one digital solution to manage its collections from their initial concept to the retail environment.

As announced on March 9, 2017 Damen Shipyards Group, an international shipbuilding group, has selected Dassault Systèmes' 3DEXPERIENCE platform and Marine and Offshore industry solution experiences to digitally transform its operations. The "Designed for Sea," "Winning Bid for Sea," "Optimized Production for Sea," and "On Time to Sea" industry solution experiences integrate sales, marketing, design, engineering, manufacturing and services. Damen Shipyards Group, with 32 shipyards and 9,000 employees, can improve collaboration, optimize its existing products, processes and services, and accelerate the delivery of innovative and configurable products.

On February 2, 2017, the Company announced that Doosan Infracore, a global construction equipment manufacturer, is successfully deploying the 3DEXPERIENCE platform to drive its business transformation strategy to become a global leader in the infrastructure support business. The "Single Source for Speed," "Simple Solution Selection" and "Ready to Make" industry solution experiences, all based on the 3DEXPERIENCE platform, provide Doosan Infracore with powerful virtual applications for innovation management, cost controls and quality improvement across its 13 plants, 4 research and development facilities and 46 branch and sales offices worldwide.

Products and Industry Solution Experiences

On April 4, 2017 the Company announced that Ford Motor Company is using Dassault Systèmes' 3DEXCITE applications powered by the 3DEXPERIENCE platform to create a virtual reality experience that transports individuals to the top of the Empire State Building where they can build a Ford Mustang sports car.

As announced on March 13, 2017, DS Automobiles, the premium brand of PSA Group, is using the Company's "Virtual Garage" industry solution experience to fully support the launch of its new SUV, DS 7 CROSSBACK, unveiled at the 87th Geneva International Motor Show. With this, DS Automobiles transforms its showrooms and invigorates the car buying experience by offering "DS Virtual Vision" immersive virtual reality experiences for all its vehicles.

In February, Dassault Systèmes announced the launch of three new industry solution experiences and the enhancement of its current portfolio based on the 3DEXPERIENCE platform, for the Consumer Goods and Retail industry. The new solutions include: "My Design", providing 3D design, performance testing and simulation, visualization and rendering capabilities for creative and detailed design; "My Production" addressing tooling design, product documentation, machining simulation, quality, compliance traceability and real-time manufacturing analytics to define ideal tooling and processes for flexible manufacturing operations; and "My Operations" leveraging intelligent logistics, agile production, supply and demand planning capabilities to improve efficiencies and operating margin.

Business Outlook

Thibault de Tersant, Senior Executive Vice President, CFO, commented, *“First quarter financial results were well aligned with our objectives. We saw a strong global performance for recurring software revenue. SOLIDWORKS new licenses activity continued to demonstrate an excellent dynamic, benefitting from its leadership position. For larger clients, sales during the first quarter reflected the increased seasonality of decision-making as expected, while discussions with clients gave us improved visibility for the year.*

“Looking forward, we anticipate a year of improved new licenses revenue growth, accompanied by recurring software revenue growth of about 6% in the coming quarters. Drivers animating our revenue growth are 3DEXPERIENCE, pioneering the next generation innovation platform, and expansion in our core and diversification industries thanks to the end to end digital continuity provided by our industry solutions experiences, enabling our customers to build their value chain. For 2017, we are reconfirming and upgrading our financial objectives for the full amount of the currency upside during the first quarter leading to a target revenue growth of about 6 to 7% in constant currencies translating to €3.290 to €3.315 billion in total revenue, a non-IFRS operating margin of about 31.5% and non-IFRS EPS growth of about 7 to 9%.” (All figures on a non-IFRS basis)

The Company's second quarter and full year 2017 financial objectives are as follows:

- Second quarter 2017 non-IFRS total revenue objective of about €805 to €815 million based upon the exchange rates assumptions below, growing about 6% to 7% in constant currencies; non-IFRS operating margin of about 29.4% to 30.4%; and non-IFRS EPS of about €0.60 to €0.62;
- 2017 non-IFRS revenue growth objective of about 6% to 7% in constant currencies at €3.290 to €3.315 billion (reflecting the principal 2017 currency exchange rate assumptions below for the US dollar and Japanese yen) as well as the potential impact from additional currencies representing about 10% of the Company's total revenue in 2016;
- 2017 non-IFRS operating margin of about 31.5% compared to 2016 where the non-IFRS operating margin was 31.2%;
- 2017 non-IFRS EPS of about €2.67 to €2.72, representing a growth objective of about 7% to 9%;
- Objectives are based upon exchange rate assumptions of US\$1.10 per €1.00 for the 2017 second quarter and US\$1.09 per €1.00 for the full year; and JPY117 per €1.00 for the 2017 second quarter and JPY118 per €1.00 for the full year before hedging.

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

The 2017 non-IFRS objectives set forth above do not take into account the following accounting elements and are estimated based upon the 2017 principal currency exchange rates above:

deferred revenue write-downs estimated at approximately €12 million, share-based compensation expense, including related social charges, estimated at approximately €81 million and amortization of acquired intangibles estimated at approximately €161 million. The above objectives also do not include any impact from other operating income and expense, net principally comprised of acquisition, integration and restructuring expenses, from one-time items included in financial revenue and from one-time tax restructuring gains and losses. Finally, these estimates do not include any new stock option or share grants, or any new acquisitions or restructurings completed after April 26, 2017.

Today's Webcast and Conference Call Information

Today, Wednesday, April 26, 2017, Dassault Systèmes will first host a webcasted meeting from London at 8:30 AM London time/ 9:30 AM Paris time and will then host a conference call at 9:00 AM New York time/ 2:00 PM London time/ 3:00 PM Paris time. The webcasted meeting and conference call will be available via the Internet by accessing <http://www.3ds.com/investors/>. Please go to the website at least 15 minutes prior to the webcast or conference call to register, download and install any necessary audio software. The webcast and conference call will be archived for 1 year.

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

Key Investor Relations Events

Annual Meeting of Shareholders, May 23, 2017
Second Quarter 2017 Earnings, July 25, 2017
Third Quarter 2017 Earnings, October 25, 2017

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 2017 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. Further, 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. 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 2016 *Document de Référence* (Annual Report) filed with the AMF (French Financial Markets Authority) on March 22, 2017, and also available on the Company's website www.3ds.com.

In preparing such forward-looking statements, the Company has in particular assumed an average US dollar to euro exchange rate of US\$1.10 per €1.00 for the 2017 second quarter and US\$1.09 per €1.00 for the full year 2017 as well as an average Japanese yen to euro exchange rate of JPY117 to €1.00 for the second quarter and JPY118 to €1.00 for the full year 2017 before hedging; however, currency values fluctuate, and the Company's results of operations may be significantly affected by changes in exchange rates.

Non-IFRS Financial Information

Readers are cautioned that the supplemental non-IFRS information presented in this press release is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Company's supplemental non-IFRS financial information may not be comparable to similarly titled non-IFRS measures used by other companies. Further specific limitations for individual non-IFRS measures, and the reasons for presenting non-IFRS financial information, are set forth in the Company's 2016 *Document de Référence* filed with the AMF on March 22, 2017.

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.

Information in Constant Currencies

When the Company believes it would be helpful for understanding trends in its business, the Company provides percentage increases or decreases in its revenue (in both IFRS as well as non-IFRS) to eliminate the effect of changes in currency values, particularly the U.S. dollar and the Japanese yen, relative to the euro. When trend information is expressed herein "in constant currencies", the results of the "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.

This press release constitutes the quarterly financial information required by article L.451-1-2 IV of the French Monetary and Financial Code (*Code Monétaire et Financier*).

About Dassault Systèmes

Dassault Systèmes, the 3DEXPERIENCE Company, provides business and people with virtual universes to imagine sustainable innovations. Its world-leading solutions transform the way products are designed, produced, and supported. Dassault Systèmes' collaborative solutions foster social innovation, expanding possibilities for the virtual world to improve the real world. The group brings value to over 220,000 customers of all sizes, in all industries, in more than 140 countries. For more information, visit www.3ds.com.

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(Tables to Follow)

Contacts:

Dassault Systèmes:

François-José Bordonado/Béatrix Martinez
+33.1.61.62.69.24
United States and Canada:
Michele.Katz@3ds.com

FTI Consulting:

Rob Mindell
+44.20.3727.1000
Arnaud de Cheffontaines
+33.1.47.03.69.48

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NON-IFRS KEY FIGURES

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

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

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

In millions of Euros, except per share data and percentages	Three months ended			
	March 31, 2017	March 31, 2016	Change	Change in cc*
Non-IFRS Revenue	€ 765.7	€ 693.5	10%	8%
Non-IFRS Revenue breakdown by activity				
Software revenue	676.1	613.9	10%	7%
<i>of which new licenses and other software-related revenue</i>	173.0	160.2	8%	6%
<i>of which periodic licenses, maintenance</i>	503.1	453.7	11%	8%
Services revenue	89.6	79.6	13%	10%
Non-IFRS software revenue breakdown by product line				
CATIA software revenue	236.4	221.4	7%	4%
ENOVIA software revenue	73.6	70.9	4%	2%
SOLIDWORKS software revenue	174.2	151.5	15%	12%
Other software revenue	191.9	170.1	13%	10%
Non-IFRS Revenue breakdown by geography				
Americas	235.8	216.5	9%	5%
Europe	323.0	292.8	10%	11%
Asia	206.9	184.2	12%	7%
Non-IFRS operating income	€ 200.7	€ 181.7	10%	
Non-IFRS operating margin	26.2%	26.2%		
Non-IFRS net income attributable to shareholders	€ 135.7	€ 131.1	4%	
Non-IFRS diluted net income per share	€ 0.53	€ 0.51	4%	
Closing headcount	15,262	14,207	7%	
Average Rate USD per Euro	1.06	1.10	-4%	
Average Rate JPY per Euro	121.0	127.0	-5%	

* In constant currencies

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

In millions of Euros, except per share data and percentages	Three months ended	
	March 31, 2017	March 31, 2016
New licenses and other software-related revenue	173.0	159.6
Periodic licenses, maintenance	497.2	452.5
Software revenue	670.2	612.1
Services revenue	89.6	79.3
Total Revenue	€ 759.8	€ 691.4
Cost of software revenue (excluding amortization of acquired intangibles)	(40.4)	(37.5)
Cost of services and other revenue	(82.8)	(77.1)
Research and development	(149.7)	(130.5)
Marketing and sales	(259.8)	(227.8)
General and administrative	(60.3)	(54.4)
Amortization of acquired intangibles	(41.2)	(39.2)
Other operating income and expense, net	(6.1)	(2.4)
Total Operating Expenses	(640.3)	(568.9)
Operating Income	€ 119.5	€ 122.5
Financial revenue and other, net	7.2	(9.2)
Income before income taxes	126.7	113.3
Income tax expense	(40.3)	(22.6)
Net Income	€ 86.4	€ 90.7
Non-controlling interest	(1.4)	(0.8)
Net Income attributable to equity holders of the parent	€ 85.0	€ 89.9
Basic net income per share	0.33	0.35
Diluted net income per share	€ 0.33	€ 0.35
Basic weighted average shares outstanding (in millions)	253.8	253.7
Diluted weighted average shares outstanding (in millions)	257.3	257.2

	Three months ended March 31, 2017	
	Change*	Change in cc**
IFRS Revenue	10%	7%
IFRS Revenue by activity		
Software revenue	9%	7%
Services Revenue	13%	11%
IFRS Software Revenue by product line		
CATIA software revenue	7%	4%
ENOVIA software revenue	4%	2%
SOLIDWORKS software revenue	15%	12%
Other software revenue	11%	8%
IFRS Revenue by geography		
Americas	9%	5%
Europe	9%	10%
Asia	12%	7%

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

DASSAULT SYSTEMES
CONDENSED CONSOLIDATED BALANCE SHEETS (IFRS)

(unaudited; in millions of Euros)

In millions of Euros	March 31, 2017	December 31, 2016
ASSETS		
Cash and cash equivalents	2,765.4	2,436.7
Short-term investments	63.6	56.1
Accounts receivable, net	705.6	820.4
Other current assets	268.7	257.2
Total current assets	3,803.3	3,570.4
Property and equipment, net	137.3	135.4
Goodwill and Intangible assets, net	2,873.7	2,926.5
Other non-current assets	312.5	310.7
Total Assets	€ 7,126.8	€ 6,943.0
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	127.1	144.9
Unearned revenues	1,008.9	853.1
Other current liabilities	489.4	467.6
Total current liabilities	1,625.4	1,465.6
Long-term debt	1,000.0	1,000.0
Other non-current obligations	581.4	594.6
Total long-term liabilities	1,581.4	1,594.6
Non-controlling interests	0.0	22.6
Parent shareholders' equity	3,920.0	3,860.2
Total Liabilities and Shareholders' equity	€ 7,126.8	€ 6,943.0

DASSAULT SYSTEMES
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (IFRS)

In millions of Euros	Three months ended		
	March 31, 2017	March 31, 2016	Change
Net Income attributable to equity holders of the parent	85.0	89.9	(4.9)
Non-controlling interest	<u>1.4</u>	<u>0.8</u>	<u>0.6</u>
Net Income	86.4	90.7	(4.3)
Depreciation of property & equipment	11.7	10.5	1.2
Amortization of intangible assets	43.3	41.2	2.1
Other non cash P&L Items	7.8	(9.3)	17.1
Changes in working capital	198.6	176.2	22.4
Net Cash provided by operating activities	€ 347.8	€ 309.3	€ 38.5
Additions to property, equipment and intangibles	(18.3)	(8.8)	(9.5)
Payments for acquisition of businesses, net of cash acquired	(0.4)	-	(0.4)
Sale (purchase) of short term investments, net	(8.8)	20.8	(29.6)
Investments, loans and others	6.3	1.1	5.2
Net Cash provided by (used in) investing activities	(€ 21.2)	€ 13.1	(€ 34.3)
(Purchase) Sale of treasury stock	3.1	(34.3)	37.4
Proceeds from exercise of stock-options	5.3	3.2	2.1
Cash dividend paid	-	(1.8)	1.8
Net Cash provided by (used in) financing activities	€ 8.4	(€ 32.9)	€ 41.3
Effect of exchange rate changes on cash and cash equivalents	(6.3)	(28.0)	21.7
Increase (decrease) in cash and cash equivalents	€ 328.7	€ 261.5	€ 67.2
Cash and cash equivalents at beginning of period	€ 2,436.7	€ 2,280.5	
Cash and cash equivalents at end of period	€ 2,765.4	€ 2,542.0	

DASSAULT SYSTEMES
SUPPLEMENTAL NON-IFRS FINANCIAL INFORMATION
IFRS – NON-IFRS RECONCILIATION
(unaudited; in millions of Euros, except per share data)

Readers are cautioned that the supplemental non-IFRS information presented in this press release is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Company's supplemental non-IFRS financial information may not be comparable to similarly titled non-IFRS measures used by other companies. Further specific limitations for individual non-IFRS measures, and the reasons for presenting non-IFRS financial information, are set forth in the Company's *Document de référence* for the year ended December 31, 2016 filed with the AMF on March 22, 2017. To compensate for these limitations, the supplemental non-IFRS financial information should be read not in isolation, but only in conjunction with the Company's consolidated financial statements prepared in accordance with IFRS.

In millions of Euros, except per share data and percentages	Three months ended March 31,						Change	
	2017 IFRS	Adjustment (1)	2017 non-IFRS	2016 IFRS	Adjustment (1)	2016 non-IFRS	IFRS	Non-IFRS (2)
Total Revenue	€ 759.8	€ 5.9	€ 765.7	€ 691.4	€ 2.1	€ 693.5	10%	10%
Total Revenue break down by activity								
Software revenue	670.2	5.9	676.1	612.1	1.8	613.9	9%	10%
<i>of which new licenses and other software-related revenue</i>	173.0		173.0	159.6	0.6	160.2	8%	8%
<i>of which periodic licenses, maintenance</i>	497.2	5.9	503.1	452.5	1.2	453.7	10%	11%
<i>Recurring portion of Software revenue</i>	74%		74%	74%		74%		
Services revenue	89.6		89.6	79.3	0.3	79.6	13%	13%
Total Software Revenue break down by product line								
CATIA software revenue	236.4		236.4	221.4		221.4	7%	7%
ENOVIA software revenue	73.6		73.6	70.9		70.9	4%	4%
SOLIDWORKS software revenue	174.2		174.2	151.5		151.5	15%	15%
Other software revenue	186.0	5.9	191.9	168.3	1.8	170.1	11%	13%
Total Revenue break down by geography								
Americas	233.9	1.9	235.8	215.3	1.2	216.5	9%	9%
Europe	319.4	3.6	323.0	292.3	0.5	292.8	9%	10%
Asia	206.5	0.4	206.9	183.8	0.4	184.2	12%	12%
Total Operating Expenses	(€ 640.3)	€ 75.3	(€ 565.0)	(€ 568.9)	€ 57.1	(€ 511.8)	13%	10%
Share-based compensation expense	(28.0)	28.0	-	(15.5)	15.5	-		
Amortization of acquired intangibles	(41.2)	41.2	-	(39.2)	39.2	-		
Other operating income and expense, net	(6.1)	6.1	-	(2.4)	2.4	-		
Operating Income	€ 119.5	€ 81.2	€ 200.7	€ 122.5	€ 59.2	€ 181.7	-2%	10%
Operating Margin	15.7%		26.2%	17.7%		26.2%		
Financial revenue & other, net	7.2	(6.7)	0.5	(9.2)	5.4	(3.8)	-178%	-113%
Income tax expense	(40.3)	(23.8)	(64.1)	(22.6)	(23.4)	(46.0)	78%	39%
Non-controlling interest	(1.4)		(1.4)	(0.8)		(0.8)	75%	75%
Net Income attributable to shareholders	€ 85.0	€ 50.7	€ 135.7	€ 89.9	€ 41.2	€ 131.1	-5%	4%
Diluted Net Income Per Share (3)	€ 0.33	€ 0.20	€ 0.53	€ 0.35	€ 0.16	€ 0.51	-6%	4%

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

In millions of Euros	Three months ended March 31,					
	2017 IFRS	Adjustment	2017 non-IFRS	2016 IFRS	Adjustment	2016 non-IFRS
Cost of revenue	(123.2)	1.0	(122.2)	(114.6)	0.6	(114.0)
Research and development	(149.7)	11.8	(137.9)	(130.5)	6.5	(124.0)
Marketing and sales	(259.8)	9.3	(250.5)	(227.8)	5.2	(222.6)
General and administrative	(60.3)	5.9	(54.4)	(54.4)	3.2	(51.2)
Total share-based compensation expense		€ 28.0			€ 15.5	

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

(3) Based on a weighted average 257.3 million diluted shares for Q1 2017 and 257.2 million diluted shares for Q1 2016.