



3DEXPERIENCE®

Dassault Systèmes

Q3 & YTD 2019 Earnings Presentation

Bernard Charlès,

Vice-Chairman & CEO

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EVP, CFO & Corporate Strategy Officer

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 2019 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 2018 Document de Référence (Annual Report) filed with the AMF (French Financial Markets Authority) on March 26, 2019 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\$1.15 per €1.00 for the 2019 fourth quarter as well as an average Japanese yen to euro exchange rate of JPY125 to €1.00 for the 2019 fourth quarter before hedging; however, currency values fluctuate, and the Company's results of operations may be significantly affected by changes in exchange rates.

Non-IFRS Information

Readers are cautioned that the supplemental non-IFRS information presented in this press release is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Company's supplemental non-IFRS financial information may not be comparable to similarly titled non-IFRS measures used by other companies. Further specific limitations for individual non-IFRS measures, and the reasons for presenting non-IFRS financial information, are set forth in the Company's 2018 *Document de Référence* filed with the AMF on March 26, 2019.

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, including impairment of goodwill and acquired intangibles, 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

We 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 type, industry, region 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 EPS (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 currency 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 constant currency information is provided on an approximate basis. Unless otherwise indicated, the impact of exchange rate fluctuations is approximately the same for both the Company's IFRS and supplemental non-IFRS financial data.

Information on Growth excluding acquisitions ("organic growth")

In addition to discussing total growth, we also provide financial information where we discuss growth excluding acquisitions or growth on an organic basis as used alternatively. In both cases, growth excluding acquisitions have been calculated using the following restatements of the scope of consolidation: for entities entering the consolidation scope in the current year, subtracting the contribution of the acquisition from the aggregates of the current year, and for entities entering the consolidation scope in the previous year, subtracting the contribution of the acquisition from January 1st of the current year, until the last day of the month of the current year when the acquisition was made the previous year.

Information on Industrial Sectors

Our global customer base includes companies in 11 industrial sectors as of January 1, 2019: with "Core Industries" comprised of Transportation & Mobility; Industrial Equipment; Aerospace & Defense; and a portion of Business Services. "Diversification Industries" includes companies in High-Tech; Life Sciences; Energy & Materials; Home & Lifestyle, Construction, Cities & Territories; Consumer Packaged Goods & Retail, Marine & Offshore and a portion of Business Services.

3DEXPERIENCE Licenses and Software Contribution

To measure the progressive penetration of 3DEXPERIENCE software, the Company utilizes the following ratios: a) for new licenses revenue, the Company calculates the percentage contribution by comparing total 3DEXPERIENCE new licenses revenue to new licenses revenue for all product lines except SOLIDWORKS and acquisitions ("related new licenses revenue"); and, b) for software revenue, the Company calculates the percentage contribution by comparing total 3DEXPERIENCE software revenue to software revenue for all product lines except SOLIDWORKS and acquisitions ("related software revenue").

Q3 & YTD 2019 Highlights Non-IFRS

- ▶ Q3 **revenue** up **10%** exFX and **EPS** up **20%**

YTD 2019 Performance

Total revenue up **+12%** exFX

Organic recurring* revenue up **+9%** exFX

3DEXPERIENCE software revenue** up **+32%** exFX

Double-digit software revenue growth in **Aerospace**,
Marine & Offshore and **Home & Lifestyle**

EPS up **+19%**

Strategy Implementation

PURPOSE

Life Sciences to become a **new core industry**

SOCIAL

Addressing the whole value chain: from **Large Companies** to **Small Businesses** and **Startups**

INDUSTRY

Industry Renaissance: from **Manufacturing Industries** to **Infrastructures & Territories** and **Healthcare**

EXPERIENCE

Customer-centric, **citizen-centric**,
patient-centric experience

- ▶ On-track to reach **5-year goal** of **doubling EPS** to **€3.50** in **2019**
- ▶ Medidata acquisition **completion** expected in the **coming days**
- ▶ Adding **Medidata** to FY19 objectives, assuming **two-month contribution period**

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The 3DEXPERIENCE Supports our Purpose

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





Delivering on Transportation & Mobility Challenges

Electric, Connected & Autonomous Vehicles

Intelligent vehicle experience delivery



Certification & Compliance

Compliance with global and local requirements



Electric Vehicles Batteries

From chemistry to cell engineering, to module engineering and integration into full vehicles



On-Target Vehicle Launch

Engineering, industrialization, manufacturing



On-Demand Production

Visibility, efficiency, and control of manufacturing operations, within and across plants



TOYOTA

Adopts 3DEXPERIENCE Platform



The automotive industry is now undergoing a major transformation. OEMs are facing challenges of survival and sustainable growth. TMC decided to adopt 3DEXPERIENCE POWER'BY to reinvent its traditional car development and drastically improve its productivity.



Business Values:

Car electrification, smart & connected cars, new competition, AI, consumer digitalization, IoT

Values:

- ▶ **Simultaneous** development by timely sharing latest data
- ▶ **Single version of truth** across R&D, design, production, sales, customer services, alliance companies & suppliers

Ambition:

- ▶ Global deployment including suppliers for more than **40,000 users** (deployment ramp-up 2019-2023)
- ▶ **Lead time reduction**
- ▶ **Business transformation** (digital engineering)
- ▶ **Seamless collaboration** with oversea sites, worldwide suppliers and business partners

Solution:

3DEXPERIENCE POWER'BY

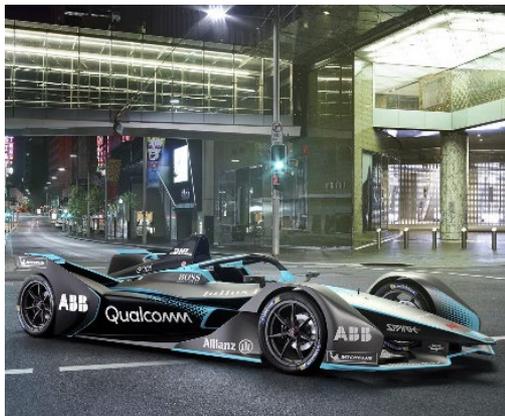


Spark Racing Technology

Adopts 3DEXPERIENCE



Motorsport manufacturer specialized in the development and engineering of high-performance e-mobility cars and modules



Business Values:

Spark Racing Technology commissioned to deliver an **electric-powered racing car** to **all teams** participating in the fourth season of the **Formula E racing series**

- ▶ **Designing** and **assembling** the entire car with its completely **new innovative architecture** in less than two years, and delivering the finished vehicle to the **40 teams** participating in the competition
- ▶ “By using the **3DEXPERIENCE platform**, we have a **reliable** and **high-performing solution** [...]. It has opened many **doors** for us in terms of **new business**.”
Théophile Gouzin, CEO

Solution:

3DEXPERIENCE Platform
with several Industry Solution
Experiences



Delivering on Aerospace Challenges

Production Rate

Meet demand for the next few years



Growing Complexity of Systems

Accelerate program integration while decreasing costs



Disruptive Innovation

Accelerate from concept to delivery from years to months



After Market

Increase fleet availability and reduce parts inventory

Passenger Experience

Stand-out from the competition with customized, cost-efficient and certified experiences





Lockheed Martin Adopts 3DEXPERIENCE



Lockheed Martin Aeronautics Company, home of the world renowned Skunk Works®, turns visionary aircraft into reality and is known for building the finest military aircraft in the world



Business Values:

3DEXPERIENCE platform to become the **standard engineering and manufacturing** planning software for **all new Advanced Development Programs** in Aviation innovator Skunkworks

- ▶ Providing the **end-to-end infrastructure** needed to engineer new programs from **concept** to the **handoff** to the **shop floor**
- ▶ Multi-year digital transformation partnership to improve **affordability** and **manufacturability** of next generation products

Solution:

3DEXPERIENCE Platform with **Program Excellence, Winning Concept, Co-Design to Target, Ready to Rate and Cleared to Operate** Industry Solution Experiences



SATS

Adopts 3DEXPERIENCE on the Cloud



Asia's leading food solutions and gateway services provider



Business Values:

Creating a **3D digital twin experience** of a virtual kitchen that pairs virtual and physical operations to provide data-driven analytics for **better resource planning**

- ▶ Preventing **bottlenecks** and enhancing **productivity**
- ▶ Better **forecasting ingredient usage**
- ▶ Identifying new ways to **boost efficiency** and **minimize food waste**, for a more sustainable approach to operations

Solution:

3DEXPERIENCE Platform with Industry Solution Experiences leveraging DELMIA Quintiq applications



Delivering on Consumer Packaged Goods and Retail Challenges

The New Consumer

React more quickly to deliver meaningful innovation on shorter timelines



Production Complexity

Manage production complexity to provide the right product at the right time



Margin Pressure

Drive sustainable growth and increase profits



Regulatory Compliance

Support health and wellness trends and manage regulatory compliance efficiently



The Last Mile

Use agile new models for product delivery



L'Occitane Adopts 3DEXPERIENCE

L'OCCITANE
EN PROVENCE

Leading Health and Beauty Company



Business Values:

Laboratoires M&L, the **manufacturing division of L'Occitane Group**, needed to improve production planning flexibility to **deal with the fluctuations in natural raw materials** and to deliver its products **on time**

- ▶ **Optimizing global production and logistics operations** from raw material reception, weighing, production, packaging, and storage
- ▶ **Anticipating early**, issues that can adversely affect the quality and delivery of its products to market
- ▶ **Reducing the rate of non-quality and waste by 50%**

Solution:

3DEXPERIENCE Platform with **Perfect Production** Industry Solution Experience leveraging **DELMIA Apriso** applications



Delivering on Home & Lifestyle Challenges

The New Consumer

Understand consumers to meet their expectations and gain their loyalty



Limitless Innovation

Think without limits in order to deliver innovation for product, process, materials, and experience



Digital Manufacturing & Supply Chain

Be flexible and adapt the entire supply chain to evolving consumer demand



Personalized Experiences

From mass merchandising to customized products and personalized experiences



CENTRIC PLM: 1,000+ brands

Market Adoption
in Home & Lifestyle

Increase Income & Sales: up to 5% to 10%
 Reduce Inventories 20-40%
 Reduce Logistics Costs 10-15%

✓ MORE NEW PRODUCTS ✓ INCREASED EFFICIENCY ✓ LESS WASTE ✓ FASTER TIME TO MARKET



2007 – 2011



2012 – 2013



2014



2015



2016



2017



2018



YTD 2019



The **3DEXPERIENCE** Supports our Purpose

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





Delivering on Construction, Cities and Territories Challenges

Sustainable, Secure and Resilient Future

Establish a digital referential to enable modeling and using scenario simulation



Maximize Project Outcomes

Design more effectively and efficiently



Create Collectively

Access to real-time information and seamlessly exchange knowledge



Modernize Craftsmanship

Allow architecture, engineering and construction professionals to gain precision and control



Respect the Art

Achieve total creative flexibility and win design competitions



CRDC

Adopts 3DEXPERIENCE

China Railway Design Corporation (SRDC) is China's leading railway design company



Business Values:

Increasing **large-scale railway projects win rate** in China and abroad

- ▶ Improving **collaboration** between **all multidisciplinary stakeholders**
- ▶ Increasing **design efficiency** and **consistency**
- ▶ “Before digital optimization, we would remove nearly the entire mountain body to build the retaining structure of the railway. But after digitally moving the location of the entrance, the **earthwork decreased drastically**“

Lin Su, senior engineer and group leader of CRDC's BIM R&D group

Solution:

3DEXPERIENCE Platform with multiple Industry Solution Experiences



Adopts 3DEXPERIENCE on the Cloud

CO Architects designs buildings that enrich the lives of people who use them.



LOYOLA MARYMOUNT UNIVERSITY LIFE SCIENCES BUILDING

Business Values:

From legacy software to **full 3DEXPERIENCE** from **Design to Construction**

- ▶ **Working seamlessly** in the **same ecosystem**
- ▶ Increasing **creative** and **collaborative** capabilities
- ▶ Delivering a model for **fabrication**
- ▶ Easily **sharing concepts with clients** thanks to **cloud based platform**

Solution:

3DEXPERIENCE Platform with **Design for Fabrication** and **Optimized Construction** Solution Experiences on the Cloud

The 3DEXPERIENCE Supports our Purpose

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





Delivering on Life Sciences Challenges

Personalized Health

Develop a holistic approach to care that encompasses genomics, behavior and the environment



Knowledge Capitalization

Connect systems, people and data in a virtual ecosystem



Total Quality

Achieve regulatory compliance with exceptional quality standards



Development and Manufacturing Excellence

Smart, predictive and adaptive manufacturing



Reinventing the Value Chain

Create new, connected patient experiences





IRBM

Adopts 3DEXPERIENCE

IRBM

IRBM is Italy's largest independent partner research organization for drug discovery and preclinical development



Business Values:

Global solution from research to development
including lab informatics, cheminformatics, bioinformatics
lab process management, chemical and materials
inventory, lab execution, data analytics

- ▶ Improving **efficiency** and **speed**
- ▶ Reducing **costs** for research and development
- ▶ Improving **quality** and **compliance**
- ▶ Faster **task execution & standardization**
- ▶ Reducing **in-house software development**

Solution:

3DEXPERIENCE Platform with
One Lab Design to Cure
Industry Solution Experience



GC Pharma

Adopts 3DEXPERIENCE



GC Pharma headquartered in South Korea; specializes in the development and commercialization of vaccines, protein therapies, and therapeutic antibodies for use in the fields of oncology and infectious disease



Business Values:

Optimizing resources from **research** to **manufacturing**: digitalized laboratory activities, time-line, experiment, lab notebook and resources. Integrating regulatory affairs activity with project information and electronic laboratory notebook

- ▶ Improving **efficiency** and **speed**
- ▶ Minimizing **time-to-market** on a fully digitalized R&D platform
- ▶ Improving **quality and compliance**
- ▶ Increasing **collaboration & digitalizing** throughout the organization for science and research

Solution:

3DEXPERIENCE Platform with
One Lab Design to Cure
Industry Solution Experience



Medidata Acquisition

Pushing the Bounds of Possibilities in 21st Century Healthcare



Poised to lead the digital transformation of Life Sciences in the age of precision medicine and patient-centric experience



Unique Integrated Business and Scientific Platform

Made to Cure

Accelerate market launch and maximize return on investment



Launched to Cure



Manufacturing

License to Cure

Accelerate therapeutic development, approval, manufacturing, and supply, in a global landscape



Commercialization

Clinical testing

Clinically Approved



Research & Discovery

Designed to Cure

Speed time to market with higher quality novel therapeutics



Preclinical development

ONE Lab

Optimize your laboratories and leverage knowledge to improve time to market



Dassault Systèmes

Medidata Solutions





Dassault Systèmes + Medidata

Medidata
to operate as a **3DS brand**



Powering Smarter Treatments
and Healthier People

Life Sciences
New Core Industry



~20% of combined
software revenue*

Dedicated
Go-to-market



To address
4,500 companies
in pharma
and **50,000** in medical
devices

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Q3 & YTD 2019 Business Review

Q3 & YTD 2019 Financial Highlights

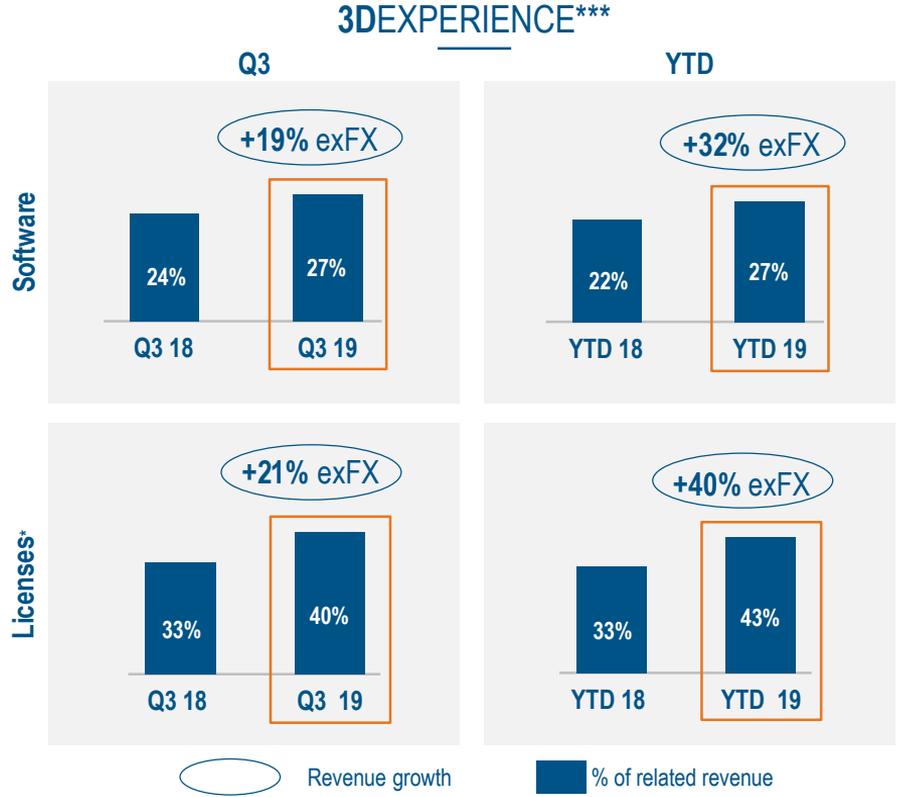
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Q3 & YTD 2019 Performance at a Glance Non-IFRS

€ millions	Q3 19	YTD 19
Revenue	914	2,843
Growth	+13%	+16%
Growth exFX	+10%	+12%
Software Growth exFX	+9%	+11%
Licenses* Growth exFX	+2%	+9%
Recurring** Growth exFX	+12%	+12%
Operating Margin	30.3%	31.3%
Operating Margin	+1.4 pt	+1.4 pt
EPS (€)	0.78	2.46
EPS Evolution	+20%	+19%

Accelerating recurring revenue growth



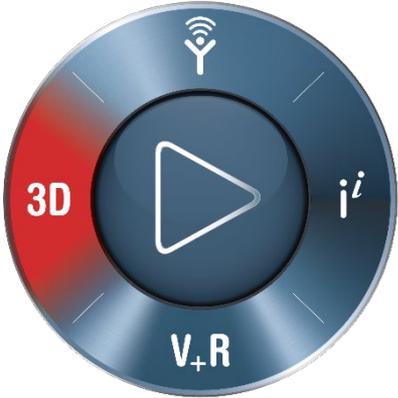
Software Revenue by Region Non-IFRS

Software Revenue Growth exFX	Q3 19	YTD 19	
Americas	+19%	+17%	Large deal activity, strong recurring software growth and contributions from acquisitions
Europe	+5%	+9%	Good performance in France, Northern and Southern Europe - Weak macro backdrop in Germany
Asia	+4%	+7%	China and Japan up 10% exFX in Q3, partially offset by weak results in Korea and India
Software Revenue	+9%	+11%	

Software Revenue by Brand Non-IFRS

Software Revenue Growth exFX	Q3 19	YTD 19	
CATIA	+5%	+8%	Sustained growth of automotive OEMs Softening of automotive supply chain in Q3
ENOVIA	+3%	+10%	Limited number of large transactions in Q3
SOLIDWORKS	+7%	+5%	Continued double-digit revenue growth in Asia Improvement in Europe and America
Other Software	+17%	+19%	Double-digit organic revenue growth led by SIMULIA and DELMIA
Software Revenue	+9%	+11%	

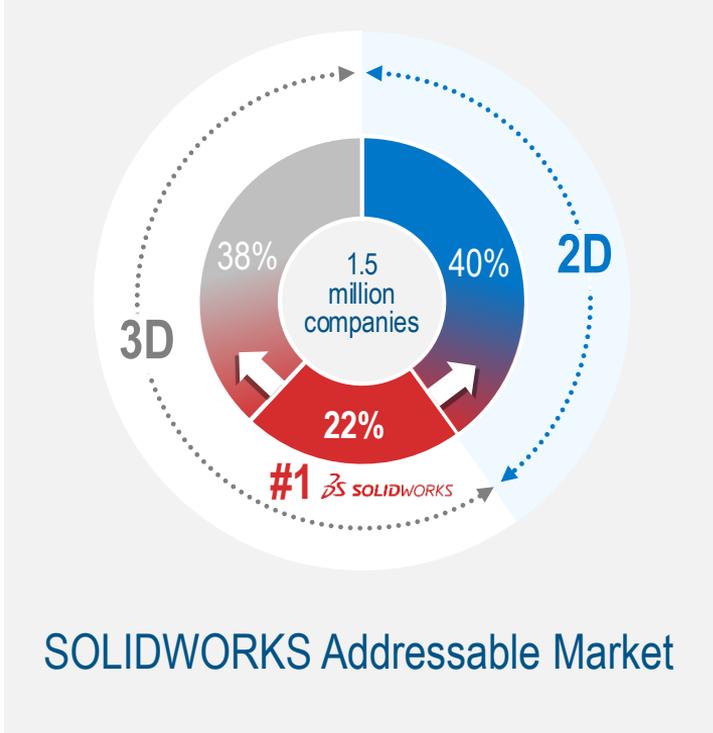
SOLIDWORKS | A Reserve of Potential Growth



3DEXPERIENCE®



Authentic Design Experience



SOLIDWORKS 3DEXPERIENCE

SOLIDWORKS cumulative commercial seats



1M
commercial users

Connecting SOLIDWORKS to the 3DEXPERIENCE Platform



DS ENOVIAWORKS
DS SIMULIAWORKS
DS DELMIWORKS

Business Innovation



3DEXPERIENCE™

Ericsson

Expands with 3DEXPERIENCE



Ericsson is one of the leading providers of Information and Communication Technology (ICT) to service providers



Business Values:

Expansion of 3DEXPERIENCE Platform to **manufacturing engineering** to:

- ▶ **Improve quality and speed** in **New Product Introduction** and **Transfer Product Introduction** between supply sites
- ▶ **Establish digital continuity** between **Engineering Bill Of Material**, **Manufacturing Bill of Material** and **Bill Of Process**

Solution:

3DEXPERIENCE Platform with **Highly Flexible Manufacturing Industry Solution Experience**, leveraging DELMIA and ENOVIA applications

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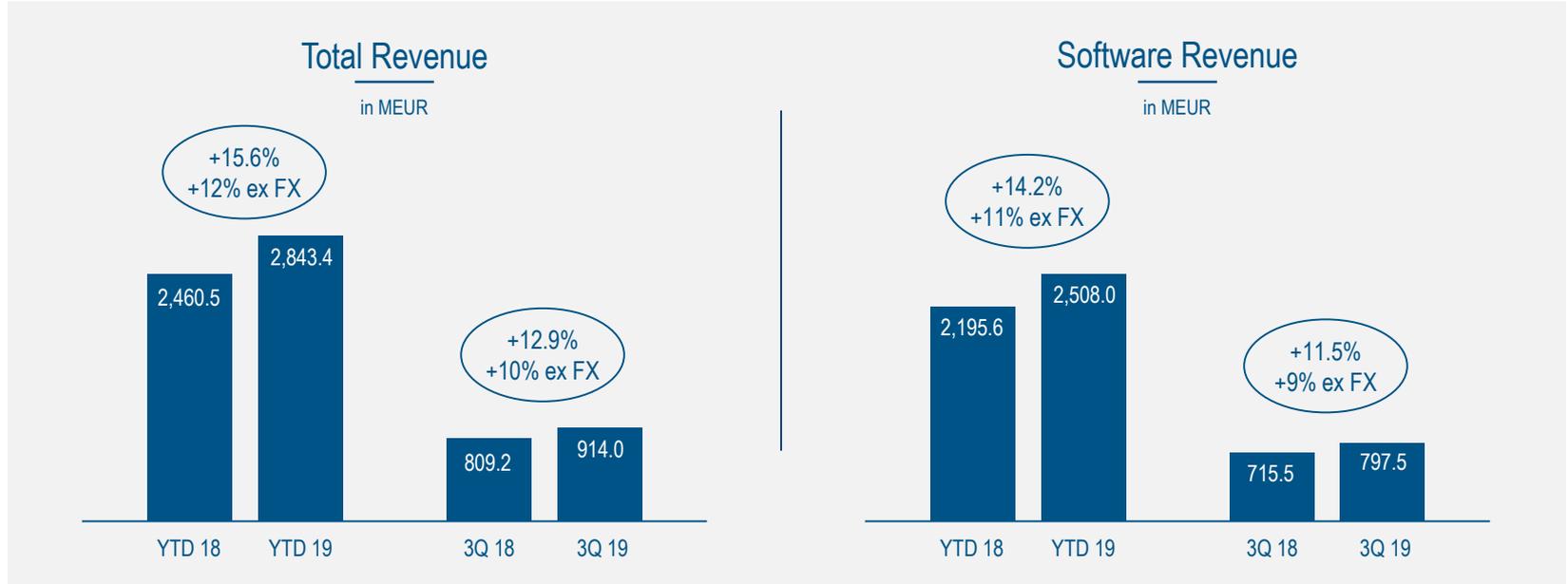
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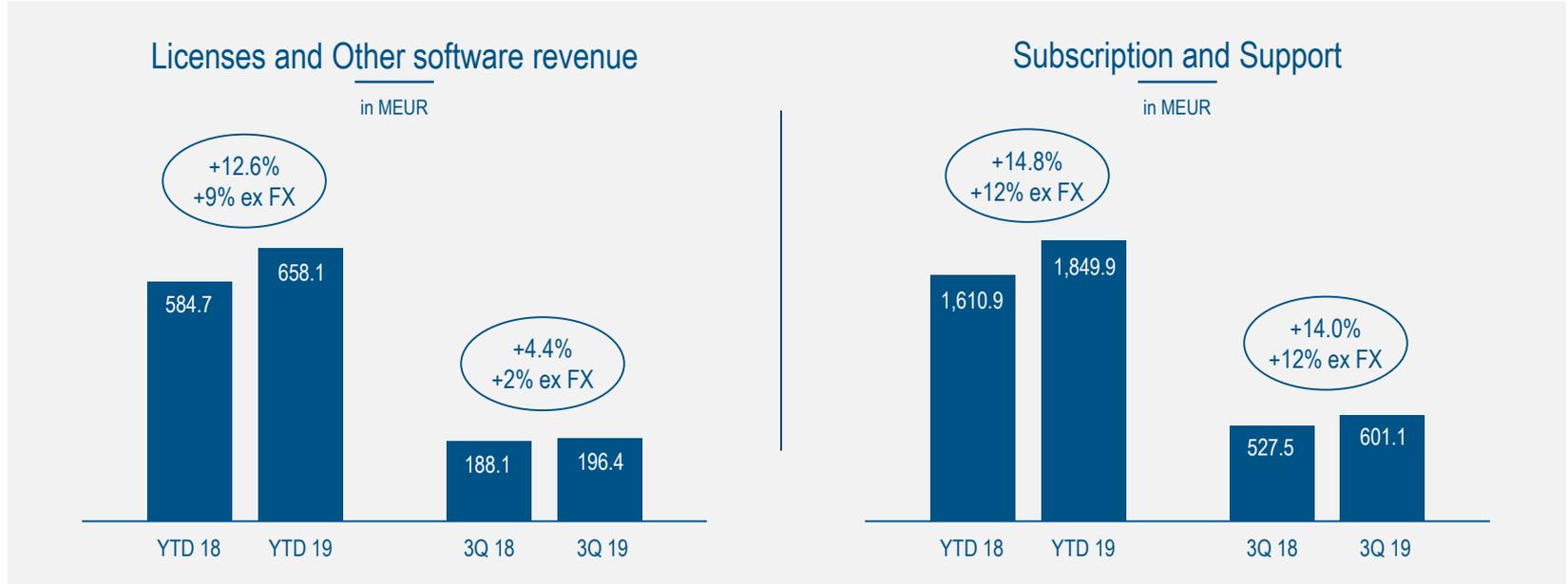
Revenue Growth Non-IFRS



Organic revenue **+8%** exFX in Q3 and **+9%** in YTD

Organic software revenue **+7%** exFX in Q3 and **+8%** in YTD

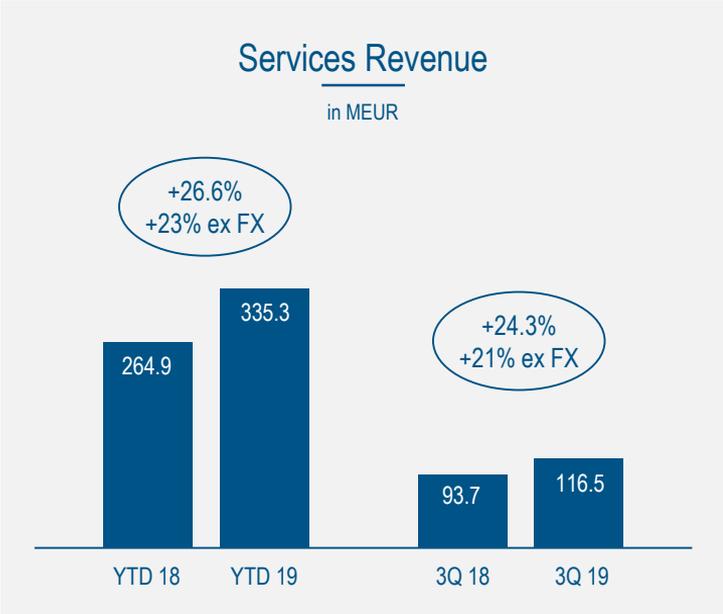
Software Revenue Growth Non-IFRS



Organic **licenses*** revenue down **-1%** exFX in Q3 (**+5%** in YTD) → some large deals slipped in Q3

Organic **recurring**** revenue up **+10%** exFX in Q3 (**+9%** in YTD) → strong **double-digit subscription** growth & strong **support** revenue

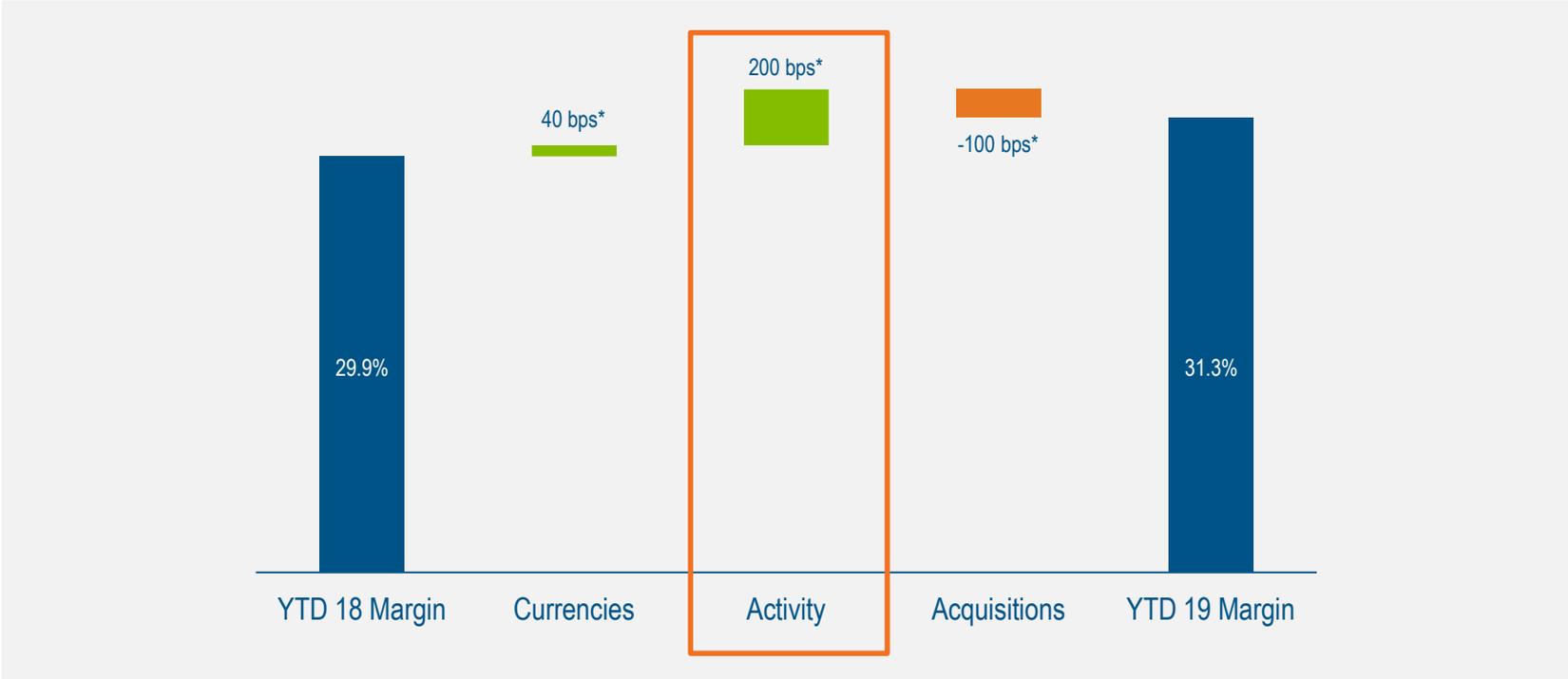
Services Revenue & Margin Evolution Non-IFRS



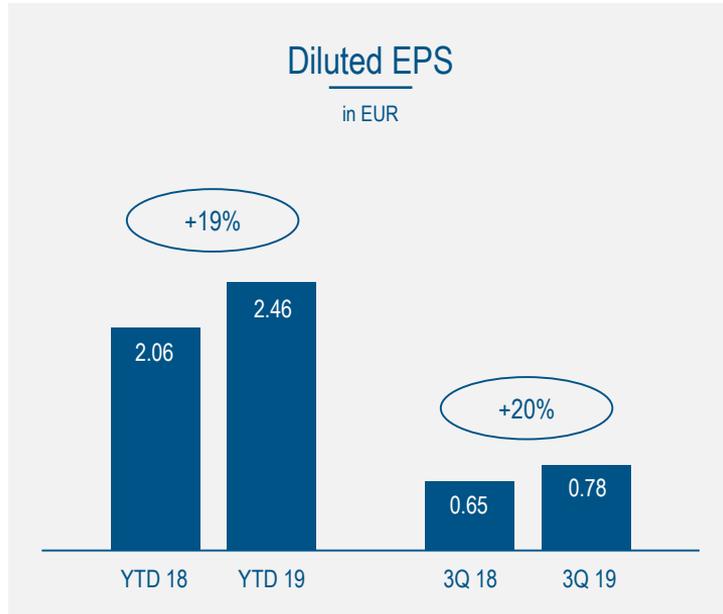
Organic services revenue up **+16%** exFX in Q3 and **+14%** in YTD

Serv. Gross Margin	7.0%	9.0%	7.8%	13.5%
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Operating Margin Evolution Non-IFRS

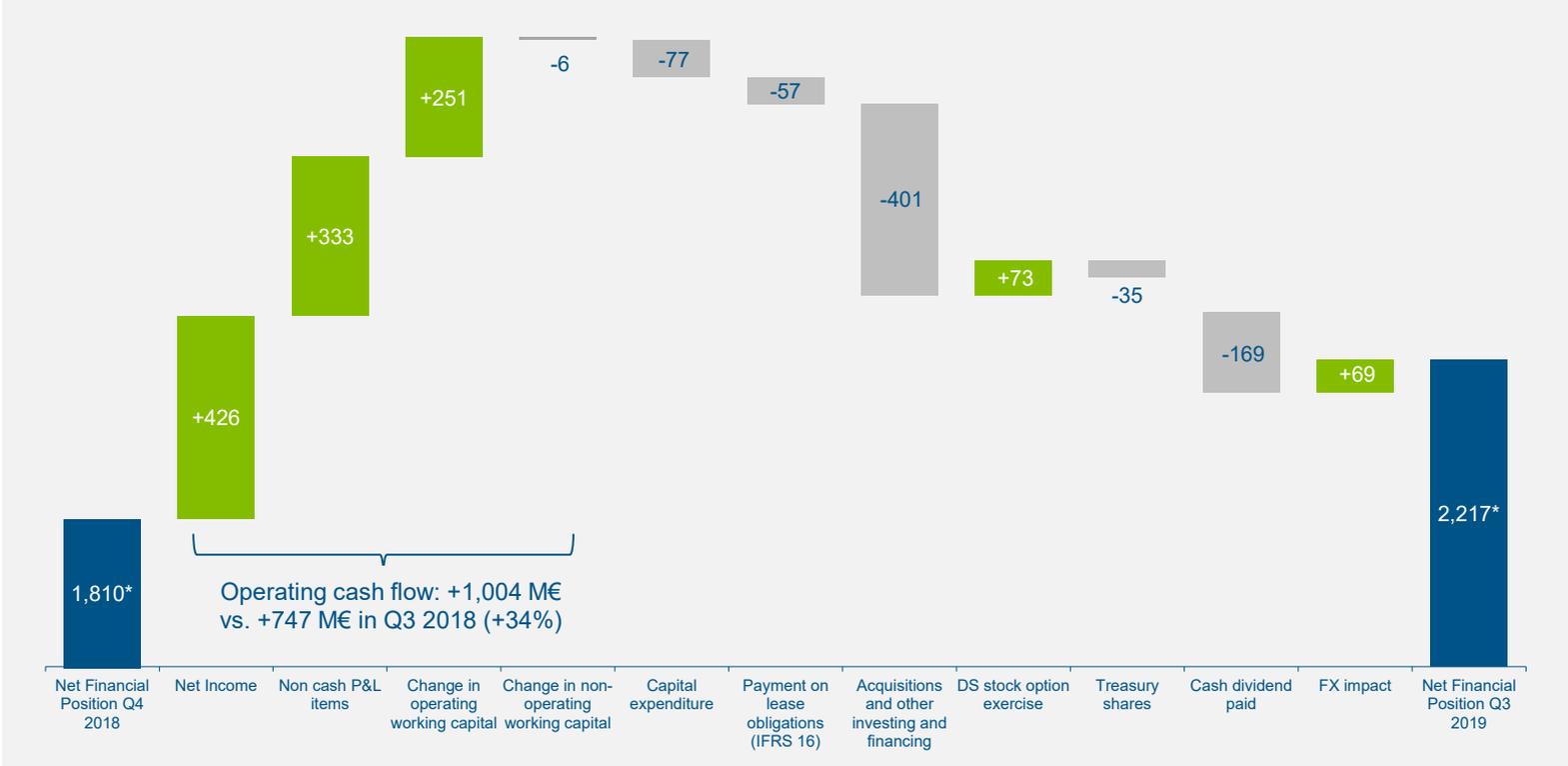


EPS Non-IFRS



EPS driven by **top line** growth, **operating margin** improvement and **positive currency** impact

Change in Net Financial Cash Position IFRS



* Net financial cash position = Cash and cash equivalents and short-term investments minus borrowings

Operating Cash Flow Evolution IFRS

€ million	YTD 19	YTD 18	Changes	
Operating Cash Flow	+1,004	+747	+257	Up 34% year on year
Net income adjusted for non cash items	+759	+597	+162	
Decrease in trade accounts receivable and contract assets	+339	+269	+70	Balance up 12% exFX at constant perimeter
Increase in contract liability *	-40	-	-40	Balance up 7% exFX at constant perimeter
Decrease in accrued compensation	-45	-21	-24	
Increase (decrease) in accounts payable	-4	-15	+11	
Increase (decrease) in income taxes payable	+38	-48	+86	Activity growth, lower taxable income in 2018 and lower tax downpayments in 2019**
Other	-43	-35	-8	

Medidata Financing Overview Non-IFRS

Inaugural €3.65 billion Bonds Issue

<u>3 years</u>	<u>5 years</u>	<u>7 years</u>	<u>10 years</u>
zero coupons	zero coupons	priced at 0.19%	priced at 0.44%

Average borrowing rate is **0.16%** with an average term of **~7 years**

Usage of the bonds includes the financing in part of the acquisition of **Medidata** and refinancing of **€650m** bank loan (that was to mature in 2022)

Rating: A- / Stable by S&P Global Ratings

Estimated **net financial cost***:

~€9 million for one quarter of 2019,

~€41 million for 2020 (descending progressively from there)

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Objectives Changes from July to October Non-IFRS

- ▶ Before adding Medidata, reaffirming **FY 19 revenue growth objective** of **10%-11%** exFX
- ▶ Updating for **currencies**
 - ▷ Q3: from US\$1.15 per €1.00 in July guidance to US\$1.11 per €1.00 in actual Q3
 - ▷ Q4: from US\$1.20 per €1.00 in July guidance to US\$1.15 per €1.00 in October guidance
- ▶ Adding **Medidata**
 - ▷ Assuming **closing** on **October 31, 2019** with a **two-month contribution**

Objectives Changes from July to October Non-IFRS



* Q4 FX: from US\$1.20 per €1.00 in July to US\$1.15 per €1.00 in October

** Enlarging range to take into account the potential for continued volatility in licenses activity in Q4

Proposed Objectives* Non-IFRS

Q4 2019		FY 2019	
	Q4 2019		FY 2019
Software +15-19% exFX		Revenue (M€)	4,015-4,055
Licenses +0-5% exFX	1,172-1,212	Growth	+15-16%
Recurring +25-28% exFX	+14-18%	Growth ex FX	+13-14%
	+15-19%	Operating Margin	~32%
	33.0-33.5%	Operating Margin Growth	stable
	-3.5 to -3 pts	EPS (€)	3.52-3.57
	1.05-1.10	EPS Growth	+13-14%
	-1 to 4%	€/\$ rates	1.13
	1.15	€/¥ rates	123.2
	125.0		

Software: +12-13% exFX

Licenses: +6-8% exFX

Recurring: +15-16% exFX

Organic operating margin increase:
~ **+100** basis points exFX and excluding IFRS16 benefit

Tax rate of ~**28.3%**

* Including Medidata assuming two-month contribution period



LIFE SCIENCES DAY

DS DASSAULT
SYSTEMES

Nov. 13, 2019

New York

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Software Revenue by Region

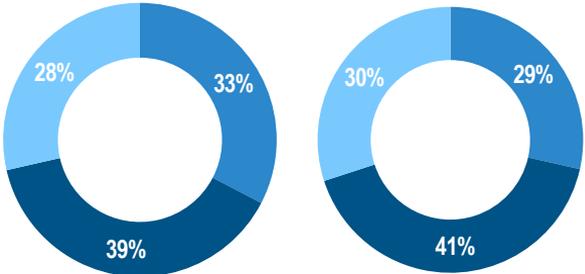
IFRS

in MEUR

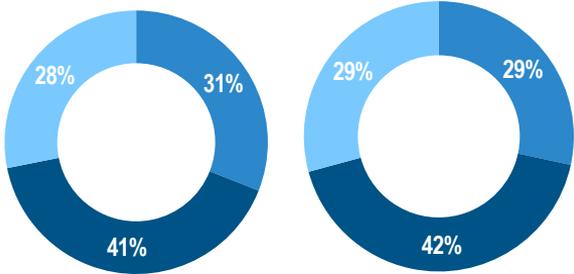
	3Q19	3Q18	Growth	Growth ex FX
Americas	260.6	203.0	+28.4%	+20%
Europe	309.8	294.8	+5.1%	+5%
Asia	228.1	213.4	+6.9%	+5%
Software revenue	798.5	711.2	+12.3%	+10%

	YTD 19	YTD 18	Growth	Growth ex FX
Americas	775.0	620.7	+24.8%	+17%
Europe	1,022.2	926.7	+10.3%	+9%
Asia	704.0	639.0	+10.2%	+8%
Software revenue	2,501.2	2,186.4	+14.4%	+11%

3Q19 **3Q18**



YTD 19 **YTD 18**



Software Revenue by Region

Non - IFRS

in MEUR

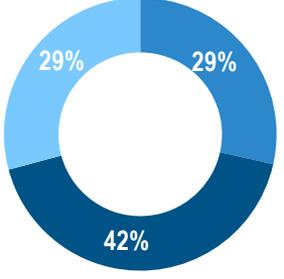
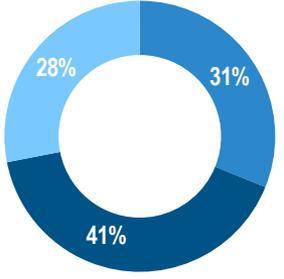
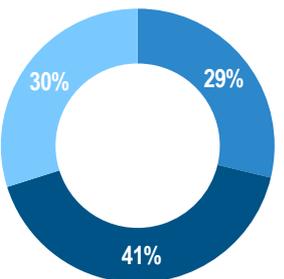
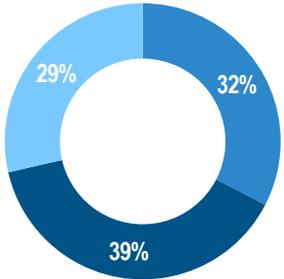
	3Q19	3Q18	Growth	Growth ex FX
Americas	259.9	205.7	+26.3%	+19%
Europe	309.5	296.1	+4.5%	+5%
Asia	228.1	213.7	+6.7%	+4%
Software revenue	797.5	715.5	+11.5%	+9%

	YTD 19	YTD 18	Growth	Growth ex FX
Americas	780.5	626.2	+24.6%	+17%
Europe	1,023.5	928.5	+10.2%	+9%
Asia	704.0	640.8	+9.9%	+7%
Software revenue	2,508.0	2,195.6	+14.2%	+11%

3Q19 **3Q18**

YTD 19 **YTD 18**

- Americas
- Europe
- Asia



Revenue by Product Line

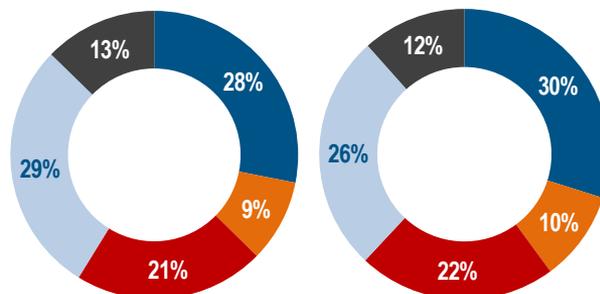
IFRS

in MEUR

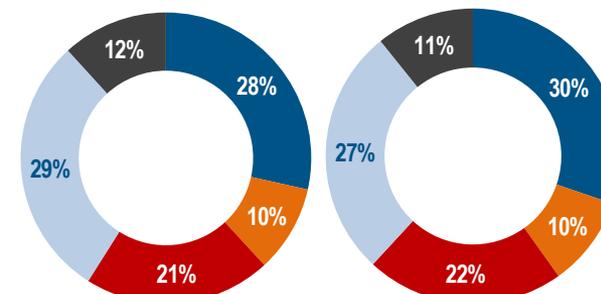
	3Q19	3Q18	Growth	Growth ex FX
CATIA SW	257.0	240.2	+7.0%	+6%
ENOVIA SW	84.8	80.8	+5.1%	+3%
SOLIDWORKS SW	196.1	177.5	+10.5%	+7%
Other SW	260.6	212.8	+22.4%	+19%
Services	116.3	93.2	+24.7%	+21%
Total revenue	914.8	804.5	+13.7%	+11%

	YTD 19	YTD 18	Growth	Growth ex FX
CATIA SW	807.6	740.8	+9.0%	+8%
ENOVIA SW	274.3	242.6	+13.0%	+10%
SOLIDWORKS SW	590.3	533.2	+10.7%	+5%
Other SW	829.1	669.8	+23.8%	+20%
Services	333.9	264.4	+26.3%	+23%
Total revenue	2,835.1	2,450.9	+15.7%	+12%

3Q19 3Q18



YTD 19 YTD 18



Revenue by Product Line

Non - IFRS

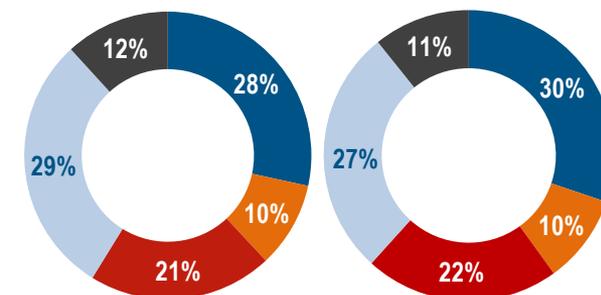
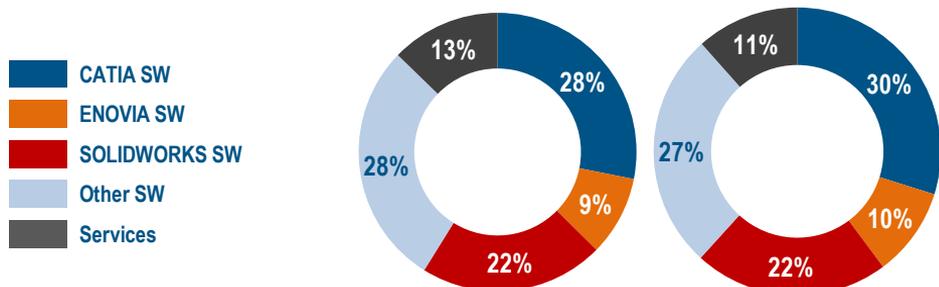
in MEUR

	3Q19	3Q18	Growth	Growth ex FX
CATIA SW	257.0	241.4	+6.5%	+5%
ENOVIA SW	84.8	80.8	+5.1%	+3%
SOLIDWORKS SW	196.1	177.5	+10.5%	+7%
Other SW	259.6	215.9	+20.2%	+17%
Services	116.5	93.7	+24.3%	+21%
Total revenue	914.0	809.2	+12.9%	+10%

	YTD 19	YTD 18	Growth	Growth ex FX
CATIA SW	807.6	742.4	+8.8%	+8%
ENOVIA SW	274.3	242.6	+13.0%	+10%
SOLIDWORKS SW	590.3	533.2	+10.7%	+5%
Other SW	835.9	677.3	+23.4%	+19%
Services	335.3	264.9	+26.6%	+23%
Total revenue	2,843.4	2,460.5	+15.6%	+12%

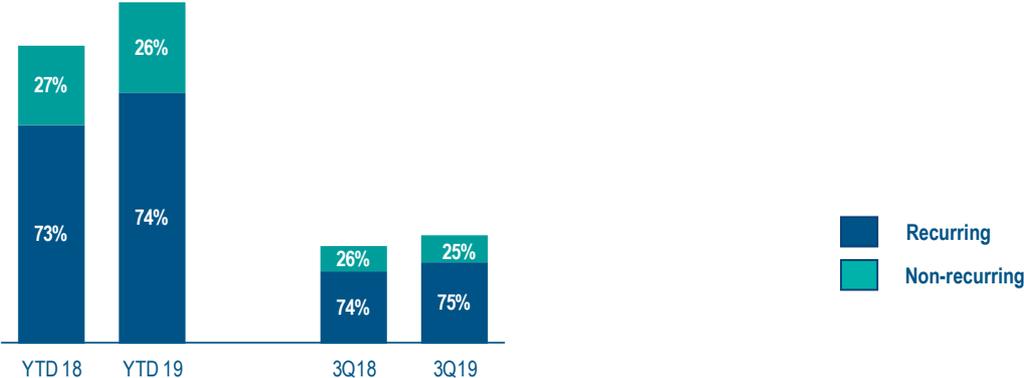
3Q19 3Q18

YTD 19 YTD 18



Software Revenue Evolution

Non - IFRS



IFRS P&L

	Three months ended September 30,			Nine months ended September 30,		
	2019	2018	YoY	2019	2018	YoY
(In millions of €, except per share data)						
Software revenue	798.5	711.2	+12.3%	2,501.2	2,186.4	+14.4%
Licenses and Other software revenue	196.4	188.1	+4.4%	658.1	584.7	+12.6%
Subscription and Support revenue	602.1	523.2	+15.1%	1,843.1	1,601.8	+15.1%
Services revenue	116.3	93.2	+24.7%	333.9	264.4	+26.3%
Total revenue	914.8	804.5	+13.7%	2,835.1	2,450.9	+15.7%
Cost of Software revenue	(42.2)	(39.0)	+8.1%	(131.9)	(118.0)	+11.8%
Cost of Services revenue	(101.3)	(87.2)	+16.2%	(307.6)	(248.4)	+23.9%
Research and development	(170.5)	(153.8)	+10.9%	(527.7)	(467.8)	+12.8%
Marketing and sales	(283.8)	(256.5)	+10.6%	(875.5)	(772.3)	+13.4%
General and administrative	(69.2)	(70.1)	(1.2)%	(221.5)	(209.6)	+5.7%
Amortization of acquired intangibles	(51.1)	(43.8)	+16.7%	(152.2)	(126.3)	+20.5%
Other operating income and expense, net	(4.4)	(2.2)	+94.8%	(28.4)	(9.1)	N/A
Total operating expenses	(722.5)	(652.6)	+10.7%	(2,244.8)	(1,951.6)	+15.0%
Operating income	192.3	151.9	+26.6%	590.3	499.3	+18.2%
Financial revenue and other, net	1.4	3.5	(59.1)%	6.7	12.6	(46.5)%
Income tax expense	(56.8)	(45.1)	+26.0%	(170.8)	(136.6)	+25.1%
Non-controlling interest	0.5	2.7	(79.7)%	6.2	3.1	+99.6%
Net Income (to equity holders of the parent)	137.4	112.9	+21.7%	432.3	378.4	+14.2%
Diluted net income per share (EPS)	0.53	0.43	+23.3%	1.66	1.45	+14.5%
Average diluted shares (Million)	261.1	260.8		260.9	260.1	

IFRS P&L (%)

	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
	<u>% of revenue</u>		<u>% of revenue</u>	
Software revenue	87.3%	88.4%	88.2%	89.2%
Licenses and Other software revenue	21.5%	23.4%	23.2%	23.9%
Subscription and Support revenue	65.8%	65.0%	65.0%	65.4%
Services revenue	12.7%	11.6%	11.8%	10.8%
Total revenue	100.0%	100.0%	100.0%	100.0%
Cost of Software revenue	4.6%	4.8%	4.7%	4.8%
Cost of Services revenue	11.1%	10.8%	10.9%	10.1%
Research and development	18.6%	19.1%	18.6%	19.1%
Marketing and sales	31.0%	31.9%	30.9%	31.5%
General and administrative	7.6%	8.7%	7.8%	8.6%
Amortization of acquired intangibles	5.6%	5.4%	5.4%	5.2%
Other operating income and expense, net	0.5%	0.3%	1.0%	0.4%
Total operating expenses	79.0%	81.1%	79.2%	79.6%
Operating income	21.0%	18.9%	20.8%	20.4%
Financial revenue and other, net	0.2%	0.4%	0.2%	0.5%
Income tax rate (% of EBIT)	29.3%	29.1%	28.6%	26.7%
Non-controlling interest	0.1%	0.3%	0.2%	0.1%
Net Income (to equity holders of the parent)	<u>15.0%</u>	<u>14.0%</u>	<u>15.2%</u>	<u>15.4%</u>

Non-IFRS P&L

(In millions of €, except per share data)	Three months ended September 30,			Nine months ended September 30,		
	2019	2018	YoY	2019	2018	YoY
Software revenue	797.5	715.5	+11.5%	2,508.0	2,195.6	+14.2%
Licenses and Other software revenue	196.4	188.1	+4.4%	658.1	584.7	+12.6%
Subscription and Support revenue	601.1	527.5	+14.0%	1,849.9	1,610.9	+14.8%
Services revenue	116.5	93.7	+24.3%	335.3	264.9	+26.6%
Total revenue	914.0	809.2	+12.9%	2,843.4	2,460.5	+15.6%
Cost of Software revenue	(41.3)	(38.4)	+7.4%	(129.5)	(116.5)	+11.1%
Cost of Services revenue	(100.7)	(86.4)	+16.5%	(305.0)	(246.5)	+23.8%
Research and development	(157.3)	(141.8)	+10.9%	(479.6)	(432.7)	+10.8%
Marketing and sales	(273.9)	(248.1)	+10.4%	(842.5)	(750.0)	+12.3%
General and administrative	(63.9)	(60.3)	+5.8%	(197.2)	(178.8)	+10.3%
Total operating expenses	(637.0)	(575.1)	+10.8%	(1,953.8)	(1,724.5)	+13.3%
Operating income	276.9	234.2	+18.3%	889.6	736.0	+20.9%
Financial revenue and other, net	2.3	2.2	+6.5%	6.5	12.4	(48.1)%
Income tax expense	(76.2)	(68.9)	+10.7%	(254.7)	(213.8)	+19.2%
Non-controlling interest	(0.5)	1.3	N/S	1.7	1.7	+0.6%
Net Income (to equity holders of the parent)	202.5	168.7	+20.0%	643.0	536.3	+19.9%
Diluted net income per share (EPS)	0.78	0.65	+20.0%	2.46	2.06	+19.4%
Average diluted shares (Million)	261.1	260.8		260.9	260.1	

Non-IFRS P&L (%)

	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
Software revenue	87.3%	88.4%	88.2%	89.2%
Licenses and Other software revenue	21.5%	23.2%	23.1%	23.8%
Subscription and Support revenue	65.8%	65.2%	65.1%	65.5%
Services revenue	12.7%	11.6%	11.8%	10.8%
Total revenue	100.0%	100.0%	100.0%	100.0%
Cost of Software revenue	4.5%	4.7%	4.6%	4.7%
Cost of Services revenue	11.0%	10.7%	10.7%	10.0%
Research and development	17.2%	17.5%	16.9%	17.6%
Marketing and sales	30.0%	30.7%	29.6%	30.5%
General and administrative	7.0%	7.5%	6.9%	7.3%
Total operating expenses	69.7%	71.1%	68.7%	70.1%
Operating income	30.3%	28.9%	31.3%	29.9%
Financial revenue and other, net	0.3%	0.3%	0.2%	0.5%
Income tax rate (% of EBIT)	27.3%	29.1%	28.4%	28.6%
Non-controlling interest	(0.1)%	0.2%	0.1%	0.1%
Net Income (to equity holders of the parent)	<u>22.2%</u>	<u>20.9%</u>	<u>22.6%</u>	<u>21.8%</u>

IFRS – Non-IFRS Reconciliation QTD

Revenue and Gross Margin

	Three months ended September 30,						Increase (Decrease)	
	2019 IFRS	Adjustment	2019 Non-IFRS	2018 IFRS	Adjustment	2018 Non-IFRS	IFRS	Non-IFRS
(€ million, except % and per share data)								
Total Revenue	914.8	(0.8)	914.0	804.5	4.8	809.2	+13.7%	+12.9%
Total Revenue breakdown by activity								
Software revenue	798.5	(1.0)	797.5	711.2	4.3	715.5	+12.3%	+11.5%
<i>Licenses and Other software revenue</i>	196.4		196.4	188.1		188.1	+4.4%	+4.4%
<i>Subscription and Support revenue</i>	602.1	(1.0)	601.1	523.2	4.3	527.5	+15.1%	+14.0%
<i>Recurring portion of Software revenue</i>	75%		75%	74%		74%		
Services revenue	116.3	0.2	116.5	93.2	0.5	93.7	+24.7%	+24.3%
Total Revenue breakdown by product line								
CATIA SW revenue	257.0		257.0	240.2	1.2	241.4	+7.0%	+6.5%
ENOVIA SW revenue	84.8		84.8	80.8		80.8	+5.1%	+5.1%
SOLIDWORKS SW revenue	196.1		196.1	177.5		177.5	+10.5%	+10.5%
Other SW revenue	260.6	(1.0)	259.6	212.8	3.0	215.9	+22.4%	+20.2%
Services revenue	116.3	0.2	116.5	93.2	0.5	93.7	+24.7%	+24.3%
Total Revenue breakdown by geography								
Americas revenue	306.7	(0.6)	306.1	241.0	2.9	243.9	+27.3%	+25.5%
Europe revenue	360.8	(0.2)	360.6	333.3	1.6	334.9	+8.2%	+7.7%
Asia revenue	247.3		247.3	230.2	0.3	230.5	+7.4%	+7.3%
Gross Margin								
Cost of Software revenue	(42.2)	0.9	(41.3)	(39.0)	0.6	(38.4)	+8.1%	+7.4%
Software Gross margin*	94.7%		94.8%	94.5%		94.6%		
Cost of Services revenue	(101.3)	0.6	(100.7)	(87.2)	0.7	(86.4)	+16.2%	+16.5%
Services Gross margin	12.9%		13.5%	6.5%		7.8%		

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

IFRS – Non-IFRS Reconciliation QTD

Expenses & Earnings

	Three months ended September 30,						Increase (Decrease)	
	2019 IFRS	Adjustment	2019 Non-IFRS	2018 IFRS	Adjustment	2018 Non-IFRS	IFRS	Non-IFRS
<i>(€ million, except % and per share data)</i>								
Total Operating Expenses	(722.5)	85.5	(637.0)	(652.6)	77.5	(575.1)	10.7%	10.8%
Share-based compensation expense	(30.0)	30.0	-	(31.5)	31.5	-		
Amortization of acquired intangibles	(51.1)	51.1	-	(43.8)	43.8	-		
Other operating income and expense, net	(4.4)	4.4	-	(2.2)	2.2	-		
Operating Income	192.3	84.6	276.9	151.9	82.3	234.2	26.6%	18.3%
Operating Margin	21.0%		30.3%	18.9%		28.9%		
Financial revenue & other, net	1.4	0.9	2.3	3.5	(1.3)	2.2	(59.1)%	6.5%
Income tax expense	(56.8)	(19.4)	(76.2)	(45.1)	(23.7)	(68.9)	+26.0%	10.7%
Non-controlling interest	0.5	(1.1)	(0.5)	2.7	(1.4)	1.3	(79.7)%	(143.0)%
Net Income attributable to shareholders	137.4	65.1	202.5	112.9	55.8	168.7	21.7%	20.0%
Diluted net income per share, in EUR	0.53	0.25	0.78	0.43	0.22	0.65	23.3%	20.0%

	Three months ended September 30,					
	2019 IFRS	Adjust.	2019 Non-IFRS	2018 IFRS	Adjust.	2018 Non-IFRS
<i>(€ million)</i>						
Cost of revenue	(143.5)	1.5	(142.0)	(126.2)	1.3	(124.9)
Research and development	(170.5)	13.2	(157.3)	(153.8)	12.0	(141.8)
Marketing and sales	(283.8)	9.9	(273.9)	(256.5)	8.4	(248.1)
General and administrative	(69.2)	5.3	(63.9)	(70.1)	9.7	(60.3)
Total Share-based compensation expense		30.0			31.5	

IFRS – Non-IFRS Reconciliation YTD

Revenue and Gross Margin

	Nine months ended September 30,						Increase (Decrease)	
	2019 IFRS	Adjustment	2019 Non-IFRS	2018 IFRS	Adjustment	2018 Non-IFRS	IFRS	Non-IFRS
(€ million, except % and per share data)								
Total Revenue	2,835.1	8.3	2,843.4	2,450.9	9.6	2,460.5	15.7%	15.6%
Total Revenue breakdown by activity								
Software revenue	2,501.2	6.8	2,508.0	2,186.4	9.1	2,195.6	14.4%	14.2%
<i>Licenses and Other software revenue</i>	658.1		658.1	584.7		584.7	12.6%	12.6%
<i>Subscription and Support revenue</i>	1,843.1	6.8	1,849.9	1,601.8	9.1	1,610.9	15.1%	14.8%
<i>Recurring portion of Software revenue</i>	74%		74%	73%		73%		
Services revenue	333.9	1.5	335.3	264.4	0.5	264.9	26.3%	26.6%
Total Revenue breakdown by product line								
CATIA SW revenue	807.6		807.6	740.8	1.7	742.4	9.0%	8.8%
ENOVIA SW revenue	274.3		274.3	242.6		242.6	13.0%	13.0%
SOLIDWORKS SW revenue	590.3		590.3	533.2		533.2	10.7%	10.7%
Other SW revenue	829.1	6.8	835.9	669.8	7.5	677.3	23.8%	23.4%
Services revenue	333.9	1.5	335.3	264.4	0.5	264.9	26.3%	26.6%
Total Revenue breakdown by geography								
Americas revenue	909.3	6.5	915.8	716.2	5.7	721.9	27.0%	26.9%
Europe revenue	1,163.0	1.8	1,164.8	1,041.5	2.1	1,043.6	11.7%	11.6%
Asia revenue	762.8		762.8	693.2	1.8	695.0	10.0%	9.8%
Gross Margin								
Cost of Software revenue	(131.9)	2.4	(129.5)	(118.0)	1.5	(116.5)	11.8%	11.1%
Software Gross margin*	94.7%		94.8%	94.6%		94.7%		
Cost of Services revenue	(307.6)	2.6	(305.0)	(248.4)	1.9	(246.5)	23.9%	23.8%
Services Gross margin	7.9%		9.0%	6.1%		7.0%		

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

IFRS – Non-IFRS Reconciliation YTD

Expenses & Earnings

	Nine months ended September 30,						Increase (Decrease)	
	2019 IFRS	Adjustment	2019 Non-IFRS	2018 IFRS	Adjustment	2018 Non-IFRS	IFRS	Non-IFRS
<i>(€ million, except % and per share data)</i>								
Total Operating Expenses	(2,244.8)	291.1	(1,953.8)	(1,951.6)	227.0	(1,724.5)	15.0%	13.3%
Share-based compensation expense	(110.5)	110.5	-	(91.6)	91.6	-		
Amortization of acquired intangibles	(152.2)	152.2	-	(126.3)	126.3	-		
Other operating income and expense, net	(28.4)	28.4	-	(9.1)	9.1	-		
Operating Income	590.3	299.3	889.6	499.3	236.7	736.0	18.2%	20.9%
Operating Margin	20.8%		31.3%	20.4%		29.9%		
Financial revenue & other, net	6.7	(0.3)	6.5	12.6	(0.2)	12.4	(46.5)%	(48.1)%
Income tax expense	(170.8)	(83.9)	(254.7)	(136.6)	(77.2)	(213.8)	+25.1%	+19.2%
Non-controlling interest	6.2	(4.5)	1.7	3.1	(1.4)	1.7	+99.6%	+0.6%
Net Income attributable to shareholders	432.3	210.7	643.0	378.4	157.9	536.3	14.2%	19.9%
Diluted net income per share, in EUR	1.66	0.80	2.46	1.45	0.61	2.06	14.5%	19.4%

	Nine months ended September 30,					
	2019 IFRS	Adjust.	2019 Non-IFRS	2018 IFRS	Adjust.	2018 Non-IFRS
<i>(€ million)</i>						
Cost of revenue	(439.6)	5.0	(434.5)	(366.4)	3.4	(363.0)
Research and development	(527.7)	48.1	(479.6)	(467.8)	35.1	(432.7)
Marketing and sales	(875.5)	33.0	(842.5)	(772.3)	22.3	(750.0)
General and administrative	(221.5)	24.4	(197.2)	(209.6)	30.9	(178.8)
Total Share-based compensation expense		110.5			91.6	

Financial Revenue and Other

Non - IFRS

MEUR	3Q19	3Q18	var	YTD 19	YTD 18	var
Interest Income	10.2	9.9	0.3	27.9	26.9	0.9
Interest Expense	(6.5)	(3.5)	(3.0)	(19.7)	(11.2)	(8.4)
Financial net Income	3.7	6.4	(2.7)	8.2	15.7	(7.5)
Exchange Gain / (Loss)	(1.6)	(4.4)	2.8	(1.8)	(4.3)	2.4
Other Income / (Loss)	0.2	0.1	0.1	0.1	1.0	(0.9)
Total	2.3	2.2	0.1	6.5	12.4	(6.0)

Exchange Rate evolution

From assumptions to actual data

Breakdown of P&L by currency for YTD 19		
	Revenue	Operating Expenses
USD	39.5%	36.8%
JPY	12.1%	4.4%

Average Exchange rates				
		2018	2019	% change
QTD	EUR/USD	1.16	1.11	-4%
	EUR/JPY	129.60	119.32	-8%
YTD	EUR/USD	1.19	1.12	-6%
	EUR/JPY	130.90	122.57	-6%



Comparing 3Q19 with mid-range Objectives

Non - IFRS

	Revenue	Operating Expenses	Operating Profit	Operating Margin
3Q19 Guidances mid-range Growth YoY	897.5 +10.9%	(632.7) +10.0%	264.8 +13.1%	29.5% +0.6pt
USD impact	11.1	(7.4)	3.7	+0.1pt
JPY impact including hedging	6.7	(2.8)	3.9	+0.2pt
Other currencies and other hedging impact	5.0	(5.4)	(0.4)	-0.2pt
Total FX	22.8	(15.6)	7.2	+0.1pt
Activity / Cost Control / Other	(6.3)	11.3	4.9	+0.7pt
Delta: Reported vs guidances	16.5	(4.3)	12.1	+0.8pt
3Q19 Reported Growth YoY	914.0 +12.9%	(637.0) +10.8%	276.9 +18.3%	30.3% +1.4pt
3Q18 Reported	809.2	(575.1)	234.2	28.9%

Estimated FX impact on 3Q19 Op. Results

Non - IFRS

€ millions QTD	Total Revenue	Operating Expenses	Operating Income	Operating Margin
3Q19 Reported	914.0	(637.0)	276.9	30.3%
3Q18 Reported	809.2	(575.1)	234.2	28.9%
<i>Growth as reported</i>	+12.9%	+10.8%	+18.3%	+1.4 pt
Impact of Actual Currency Rates				
USD impact	14.4	(9.2)	5.2	
JPY impact including hedging	4.4	(2.5)	1.9	
Other currencies and other hedging impact	0.9	0.2	1.1	
Total FX Impact adjustment	19.7	(11.5)	8.2	
3Q18 ex FX	828.9	(586.6)	242.3	29.2%
<i>Growth exFX</i>	+10%	+9%	+14%	+1.1 pt

Estimated FX impact on YTD 3Q19 Op. Results

Non - IFRS

€ millions YTD	Total Revenue	Operating Expenses	Operating Income	Operating Margin
YTD2019 Reported	2,843.4	(1,953.8)	889.6	31.3%
YTD2018 Reported	2,460.5	(1,724.5)	736.0	29.9%
<i>Growth as reported</i>	+15.6%	+13.3%	+20.9%	+1.4 pt
Impact of Actual Currency Rates				
USD impact	61.7	(35.6)	26.1	
JPY impact including hedging	10.7	(5.9)	4.8	
Other currencies and other hedging impact	0.4	0.3	0.7	
Total FX Impact adjustment	72.8	(41.2)	31.6	
YTD2018 ex FX	2,533.2	(1,765.7)	767.5	30.3%
<i>Growth exFX</i>	+12%	+11%	+16%	+1.0 pt

Consolidated Statement of Cash Flows

IFRS

(in millions of €)	3Q19	3Q18	Variation	3Q19 YTD	3Q18 YTD	Variation
Net income attributable to equity holders of the parent	137.4	112.9	24.5	432.3	378.4	53.9
Non-controlling interest	(0.5)	(2.7)	2.1	(6.2)	(3.1)	(3.1)
Net income	136.9	110.2	26.6	426.2	375.3	50.8
Depreciation of property & equipment	33.6	14.3	19.3	98.9	42.5	56.3
Amortization of intangible assets	53.4	45.9	7.5	158.9	132.9	26.0
Other non-cash P&L items	27.6	12.7	15.0	74.9	45.8	29.1
Changes in working capital	(141.5)	(82.0)	(59.5)	244.8	150.1	94.7
Net Cash Provided by (Used in) Operating Activities (I)	110.1	101.1	9.0	1 003.7	746.6	257.1
Additions to property, equipment and intangibles	(28.5)	(16.9)	(11.6)	(76.7)	(48.2)	(28.5)
Payment for acquisition of businesses, net of cash acquired	4.1	(195.7)	199.8	(398.7)	(247.3)	(151.4)
Sale (Purchase) of short-term investments, net	(0.2)	-	(0.2)	(0.2)	0.7	(0.9)
Investments, loans and others	2.8	0.2	2.6	(14.3)	(1.3)	(13.0)
Net Cash Provided by (Used in) Investing Activities (II)	(21.7)	(212.4)	190.7	(489.8)	(296.1)	(193.7)
Acquisition of non-controlling interests	-	(75.3)	75.3	-	(101.5)	101.5
Proceeds of short term and long term debt	3 652.0	-	3 652.0	3 652.0	-	3 652.0
Repayment of short term and long term debt	(1 000.0)	(14.9)	(985.1)	(1 000.9)	(14.9)	(986.0)
Payments on lease obligations	(19.3)	-	(19.3)	(56.6)	-	(56.6)
(Purchase) Sale of treasury stock	(44.5)	(111.6)	67.1	(35.3)	(113.9)	78.6
Proceeds from exercise of stock-options	26.9	15.5	11.4	72.9	59.2	13.7
Cash dividend paid	-	-	-	(168.8)	(38.0)	(130.8)
Net Cash Provided by (Used in) Financing Activities (III)	2 615.1	(186.3)	2 801.4	2 463.3	(209.1)	2 672.4
Effect of exchange rate changes on cash and cash equivalents (IV)	59.4	0.2	59.2	69.1	45.0	24.1
Increase (Decrease) in Cash (V) = (I)+(II)+(III)+(IV)	2 762.8	(297.4)	3 060.2	3 046.3	286.4	2 759.9
Cash and cash equivalents at Beginning of Period	3 092.8	3 043.2		2 809.3	2 459.4	
Cash and cash equivalents at End of Period	5 855.6	2 745.8		5 855.6	2 745.8	
Cash and cash equivalents variation	2 762.8	(297.4)		3 046.3	286.4	

Balance Sheet

(in millions of €)	End of Sep-19	End of Jun-19	Variation Sep-19 / Jun-19	End of Dec-18	Variation Sep-19 / Dec-18
Cash and cash equivalents	5,855.6	3,092.8	+2,762.8	2,809.3	+3,046.3
Short-term investments	0.8	0.6	+0.2	0.6	+0.2
Accounts receivable, net	744.0	810.3	-66.2	1,044.1	-300.1
Contract assets	39.9	40.3	-0.4	26.5	+13.4
Other current assets	424.6	227.9	+196.7	321.3	+103.3
Total current assets	7,064.9	4,171.9	+2,893.0	4,201.8	+2,863.1
Property and equipment, net	568.8	563.1	+5.7	178.2	+390.6
Goodwill and Intangible assets, net	3,675.3	3,613.8	+61.5	3,262.4	+412.9
Other non-current assets	343.1	374.7	-31.6	331.6	+11.5
Total non-current assets	4,587.3	4,551.6	+35.6	3,772.2	+815.0
Total Assets	11,652.2	8,723.5	+2,928.7	7,974.0	+3,678.2
Accounts payable	160.1	163.8	-3.7	161.7	-1.5
Contract liabilities	922.1	1,019.9	-97.8	907.5	+14.7
Borrowings, current	11.5	350.0	-338.5	350.0	-338.5
Other current liabilities	588.7	623.5	-34.8	603.6	-14.9
Total current liabilities	1,682.4	2,157.2	-474.8	2,022.8	-340.4
Borrowings, non-current	3,628.5	650.0	+2,978.4	650.0	+2,978.4
Other non-current liabilities	1,095.7	1,060.9	+34.7	675.4	+420.3
Total non-current liabilities	4,724.1	1,710.9	+3,013.1	1,325.4	+3,398.7
Non-controlling interest	58.2	57.6	+0.6	63.9	-5.7
Parent Shareholders' equity	5,187.4	4,797.9	+389.6	4,561.9	+625.5
Total Liabilities and Shareholders' Equity	11,652.2	8,723.5	+2,928.7	7,974.0	+3,678.2

Trade Accounts Receivable | DSO

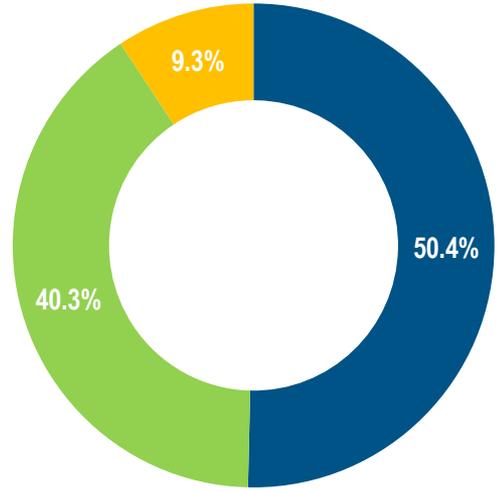


Headcount by destinations – 3Q19

Overview

At Closing - TOTAL					
	<u>3Q19</u>	<u>3Q18</u>	<u>% growth</u>	<u>4Q18</u>	<u>% growth</u>
M&S + COR Ser	9,075	8,381	+8.3%	8,511	+6.6%
R&D + COR SW	7,265	6,738	+7.8%	6,885	+5.5%
G&A	1,679	1,603	+4.7%	1,634	+2.7%
Total	18,019	16,721	+7.8%	17,030	+5.8%

Closing H/C - September 2019



■ M&S + COR Ser ■ R&D + COR SW ■ G&A

IFRS 2019 Objectives

Accounting elements not included in the non-IFRS 2019 Objectives

- ▶ FY 2019 estimated **contract liabilities** write-down of **~€10m**
- ▶ FY 2019 estimated **share-based compensation** expenses, including related social charges: **~€144m**
- ▶ FY 2019 estimated **amortization of acquired intangibles**: **~€201m**
- ▶ 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 stock option or share grants, or any new acquisitions or restructurings completed after September 30, 2019.

