

## Dassault Systèmes Delivers Broad-based Growth in First Quarter with 3DEXPERIENCE Software Revenue Up Strongly

VÉLIZY-VILLACOUBLAY, France — April 25, 2018 — [Dassault Systèmes](http://www.dassault-systemes.com) (Euronext Paris: #13065, DSY.PA), announces IFRS unaudited financial results for the first quarter ended March 31, 2018. These results were reviewed by the Company's Board of Directors on April 24, 2018. The Company has adopted IFRS 15 as of January 1, 2018. This press release includes 2018 first quarter results under IFRS 15 as well as under the prior IAS 18 standard and includes a summary explanation of the major differences for the Company. In addition, this press release also includes financial information on a non-IFRS basis (both IFRS 15 and IAS 18) with reconciliations included in the Appendix to this communication.

### Summary First Quarter 2018 Highlights and Financial Summary (Unaudited, with references to IAS 18 financial information)

- First Quarter results well aligned with Dassault Systèmes' financial objectives
- Licenses and other software up 14% organically at constant currency (IAS 18)
- **3DEXPERIENCE** software revenue up 26% at constant currency (IAS 18)
- Broad-based growth in a majority of industries and geographies
- **3DEXPERIENCE** cloud activity up significantly
- Strong Cash flow from operations, up 17% to €407 million (IAS 18)
- DS confirms 2018 FY IAS 18 financial objectives: Non-IFRS revenue growth of 8% to 9% at constant currency, non-IFRS EPS up 6% to 8% or at constant currency about 11% to 13%
- Board of Directors proposes 9% increase in annual dividend for the 2017 fiscal year

In millions of Euros, except per share data	IFRS					
	IFRS 15 Basis Q118	Difference	IAS 18 Basis Q118	IAS 18 Basis Q117	IAS 18 Change	IAS 18 Change in cc*
Total Revenue	818,7	(49,4)	769,3	759,8	1%	10%
Software Revenue	735,1	(49,4)	685,7	670,2	2%	11%
Services Revenue	83,5	0,0	83,5	89,6	-7%	0%
Operating Margin	21,8%	-5,0pts	16,8%	15,7%		
EPS	0,53	-0,14	0,39	0,33	18%	33%

In millions of Euros, except per share data	Non-IFRS					
	IFRS 15 Basis Q118	Difference	IAS 18 Basis Q118	IAS 18 Basis Q117	IAS 18 Change	IAS 18 Change in cc*
Total Revenue	820,6	(49,4)	771,2	765,7	1%	9%
Software Revenue	737,0	(49,4)	687,6	676,1	2%	10%
Services Revenue	83,5	0,0	83,5	89,6	-7%	0%
Operating Margin	31,4%	-4,4pts	27,0%	26,2%		
EPS	0,72	-0,13	0,59	0,53	11%	26%

\*In constant currencies.

**Bernard Charlès, Dassault Systèmes' Vice Chairman and Chief Executive Officer commented, "We are experiencing a global Industry Renaissance, bringing new ways, real and virtual, of inventing, learning, producing and trading. The leading businesses of the future will be those that empower the workforce of the future and their value networks with knowledge and**

know-how to deliver new categories of sustainable solutions. Digital experience platforms are the infrastructures of the 21st century: they have transformed retail, transportation and hospitality services; the industrial world is next. The **3DEXPERIENCE** Marketplace positions Dassault Systèmes as a catalyst of this transformation.

“The sharp increase in **3DEXPERIENCE** licenses revenue proves that our **3DEXPERIENCE** platform opens up whole new market opportunities. It brings unparalleled added value for customers in terms of leadership and innovation as the platform is both an operating system, as shown this quarter by Gilead Sciences and a business model. Our Cloud offer represents for large and smaller companies, like recent new engagements with Kärcher and EVELOZCITY, the possibility to reduce to zero the distance to their own clients. For the **SOLIDWORKS** users’ community it represents the opportunity to benefit from a wide range of marketplace services.”

### 2018 First Quarter Financial Summary (Unaudited)

Software Revenue in millions of Euros	IFRS					
	IFRS 15 Basis Q118	Difference	IAS 18 Basis Q118	IAS 18 Basis Q117	IAS 18 Change	IAS 18 Change in cc*
Total Software Revenue	735.1	(49.4)	685.7	670.2	2%	11%
- Licenses and Other software	179.1	1.4	180.5	173.0	4%	14%
- Recurring software	556.0	(50.8)	505.3	497.2	2%	10%
Americas total software	209.6	(13.8)	195.8	201.3	-3%	12%
Europe total software	325.0	(36.1)	288.9	280.7	3%	7%
Asia total software	200.6	0.4	201.0	188.2	7%	16%

Software Revenue in millions of Euros	Non-IFRS					
	IFRS 15 Basis Q118	Difference	IAS 18 Basis Q118	IAS 18 Basis Q117	IAS 18 Change	IAS 18 Change in cc*
Total Software Revenue	737.0	(49.4)	687.6	676.1	2%	10%
- Licenses and Other software	179.1	1.4	180.5	173.0	4%	14%
- Recurring software	557.9	(50.8)	507.2	503.2	1%	9%
Americas total software	210.5	(13.8)	196.7	203.2	-3%	12%
Europe total software	325.3	(36.0)	289.3	284.4	2%	6%
Asia total software	201.2	0.4	201.6	188.6	7%	16%

\*In constant currencies

### First Quarter 2018 versus 2017 Financial Comparisons on an IAS 18 Basis (“IAS 18 IFRS and IAS 18 non-IFRS”)

- On an IAS 18 basis, total revenue increased 10% (IFRS) and 9% (non-IFRS). First quarter financial results include EXA Corporation, an acquisition completed on November 17, 2017. Excluding acquisitions, IAS 18 non-IFRS total revenue increased 7% and software revenue increased 8%. (All growth rates are in constant currencies.)
- On an IAS 18 basis and in constant currencies: Software revenue increased 11% (IFRS) and 10% (non-IFRS). Licenses and other software revenue grew 14% (IFRS and non-IFRS), with double-digit growth for CATIA, SOLIDWORKS, ENOVIA, SIMULIA, DELMIA and GEOVIA. Non-IFRS Recurring revenue, comprised of Subscription and Support revenue, represented 74% of non-IFRS software revenue. Non-IFRS Recurring revenue increased 9% reflecting strong growth in Subscription revenue, including the acquisition of EXA, and continued strong Support renewal rates in all three regions. (In the Company’s

financial statements the line item 'Periodic and Maintenance Revenue' has been updated to 'Subscription and Support Revenue' commencing with the 2018 First Quarter and combined represent the Company's 'Recurring Revenue'.)

- IAS 18 non-IFRS software revenue increased double-digits in constant currencies across Transportation & Mobility, Aerospace & Defense, Industrial Equipment, Consumer Goods & Retail, Architecture, Engineering & Construction and Natural Resources. The Company noted an improving dynamic in Life Sciences.
- On a regional and IAS 18 basis: Asia non-IFRS software revenue increased 16% on broad-based growth in China, India and South Korea and strong improvement in Japan. In Europe non-IFRS software revenue increased 6% with notable performances in Western and Southern Europe as well as Russia. In the Americas, non-IFRS software revenue increased 11% on North America growth dynamics. High Growth Countries non-IFRS software revenue increased 12% on strong growth in a number of countries. (All growth rates are in constant currencies.)
- On an IAS 18 basis, **3DEXPERIENCE** software revenue was up 26% during the 2018 first quarter, with Go Live implementations continuing and new **3DEXPERIENCE** investments commencing with multiple large customers. More specifically, the Company noted new wins including in Electric Vehicles where it has the leading industry presence and in Industrial Equipment, Marine & Offshore and High Tech, as well as **3DEXPERIENCE** programs ramping with large clients in Transportation & Mobility, in Aerospace & Defense as well as in Consumer Packaged Goods & Retail. **3DEXPERIENCE** cloud activity was up significantly during the first quarter.
- Services revenue of €84 million was unchanged in constant currencies (IAS 18 IFRS and non-IFRS) on a mixed performance. The Company noted strong growth in **3DEXPERIENCE** services activity.
- IAS 18 IFRS operating income increased 8%. IAS 18 non-IFRS operating income totaled €208.3 million, representing an increase of 4% as reported but 18% in constant currencies. The IAS 18 non-IFRS operating margin increased 80 basis points to 27.0% in the first quarter, compared to 26.2% in the year-ago period, reflecting underlying organic improvement of 240 basis points, offset by negative currency effects of 110 basis points and acquisition dilution estimated at 50 basis points.
- Principally reflecting the U.S. Tax Reform Act of 2017, the Company's IAS 18 IFRS and non-IFRS effective tax rates decreased to 25.0% and 28.9%, respectively, in the 2018 first quarter compared to 31.8% and 31.9%, respectively, in the year-ago period.
- IAS 18 non-IFRS financial revenue totaled €5.2 million in the 2018 first quarter, compared to €0.6 million in the year-ago period principally due to lower currency exchange losses.
- IAS 18 IFRS diluted net income per share increased 18% or 33% in constant currencies. IAS 18 non-IFRS diluted net income per share totaled €0.59, increasing 11% or 26% at constant currency.

## Business Outlook

(Discussion on an IAS 18, non-IFRS basis, with revenue growth rates in constant currencies)

**Pascal Daloz, Dassault Systèmes' Executive Vice President, CFO and Corporate Strategy Officer, commented,** *“We expected a strong start to 2018 and are pleased to report that first quarter results came in well aligned with this objective. Software revenue increased 10%, with licenses and other software growth of 14% and recurring software revenue growth of 9% in constant currencies. Earnings per share increased 11% or 26% excluding strong currency headwinds. Those good results are also reflected in strong cash flow from operations, up 17%.*

*“Importantly, the first quarter results demonstrated the improving breadth and balance of our financial performance. Our three sales channels, all major brands and 9 of 12 geos reported strong license revenue growth in constant currencies. Moreover, looking at total software performance, we saw a similar pattern of strength across Transportation & Mobility, Aerospace & Defense, Industrial Equipment, Consumer Goods & Retail, Architecture, Engineering & Construction and Natural Resources as well as improvement in Life Sciences.*

*“For the second quarter, we anticipate a strong performance with non-IFRS total revenue growth of 8% to 10% and non-IFRS EPS of about €0.65 to €0.68, representing growth of about 16% to 22% at constant currency (all on an IAS 18 basis).*

*“We are reconfirming our 2018 financial objectives with IAS 18 non-IFRS total revenue growth of about 8% to 9% in constant currencies, a IAS 18 non-IFRS operating margin of 31% to 31.5%, and IAS 18 non-IFRS earnings per share of €2.83 to €2.88, representing growth of about 11% to 13% at constant currency.*

*“In summary, the first quarter well underscores our strategy and growth drivers at work. We look forward to sharing our perspectives for the future at our Capital Markets Day on June 15th.”*

The Company's second quarter and full year 2018 financial objectives are given in IAS 18 on a non-IFRS basis:

- Second quarter 2018 IAS 18 non-IFRS total revenue objective of about €815 to €830 million based upon the exchange rates assumptions below, growing about 8% to 10% in constant currencies; non-IFRS operating margin of about 29% to 30%; and non-IFRS EPS of about €0.65 to €0.68, up 5% to 10%, or about 16% to 22% at constant currency;
- 2018 IAS 18 non-IFRS revenue growth objective of about 8% to 9% in constant currencies at €3.355 to €3.385 billion (reflecting the principal 2018 currency exchange rate assumptions below for the US dollar and Japanese yen as well as the potential impact from additional currencies representing about 17% of the Company's total revenue in 2017);
- 2018 IAS 18 non-IFRS operating margin of about 31% to 31.5%, compared to 32% in 2017, reflecting acquisition dilution and currency headwinds offset in part by moderate organic improvement at constant currency;
- 2018 IAS 18 non-IFRS EPS of about €2.83 to €2.88, representing a growth objective of about 6% to 8%, or about 11% to 13% on a constant currency basis;

- Objectives are based upon exchange rate assumptions of US\$1.25 per €1.00 for the 2018 second quarter and US\$1.20 per €1.00 for the 2018 second half; and JPY135.0 per €1.00 for the 2018 second quarter and JPY134.5 per €1.00 for full year 2018 before hedging.

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

The 2018 non-IFRS objectives, which are stated on an IAS 18 basis, set forth above do not take into account the following accounting elements and are estimated based upon the 2018 principal currency exchange rates above: deferred revenue write-downs estimated at approximately €5 million on an IAS 18 basis, share-based compensation expense, including related social charges, estimated at approximately €78 million and amortization of acquired intangibles estimated at approximately €160 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 25, 2018.

### **Cash Flow and Other Financial Highlights Under IAS 18 For Year-over-Year Comparisons**

The Company's net cash flow from operations for the first quarter ended March 31, 2018 is identical under IFRS 15 in comparison to IAS 18 although some of the line items differ. *(See page 19 in the Appendix to this press release for further details including a reconciliation of the cash flow statement and balance sheets under IFRS 15 compared to IAS 18 for the quarter and period ended March 31, 2018.)*

IAS 18 net operating cash flow increased 17% to €406.9 million for the quarter ended March 31, 2018, compared to €347.8 million in the 2017 First Quarter on growth in net income and working capital evolution.

Dassault Systèmes' net financial position totaled €1.85 billion at March 31, 2018, compared to €1.46 billion at December 31, 2017, reflecting cash, cash equivalents and short-term investments of €2.85 billion and long-term debt of €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 22, 2018 and is recommending a dividend per share equivalent to €0.58 per share for the fiscal year ended December 31, 2017, representing an increase of approximately 9% compared to the prior year €0.53 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 29, 2018 and June 8, 2018, inclusive. Shares will be traded ex-dividend as of May 29, 2018. Dividends will be made payable as from June 19, 2018. These recommendations are subject to approval by shareholders at the Annual Shareholders' Meeting. For further information, see the Company's 2017 *Document de Référence* filed with the French *Autorité des Marchés Financiers (AMF)* on

March 21, 2018. The 2017 *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 Announcements

### *Corporate:*

**During the week of April 16<sup>th</sup>, the Company held its annual Design in the Age of Experience Conference in Milano, Italy.** For Dassault Systèmes and its clients, Design is bigger than aesthetics or products. Design is the start of sustainable experiences that change lives and helps address key challenges facing society – such as climate action, dwelling, mobility and healthcare. Designers are at the focal point, linking form, function, and sometimes 'magic' to transform how we live, work and play.

**Dassault Systèmes Accelerates the Global Industry Renaissance with Launch of Online Marketplace. On February 1, 2018 the Company officially launched the 3DEXPERIENCE Marketplace, its online ecosystem for industrial services and content providers.** Fifty digital manufacturers with more than 500 machines and 30 million components from 600 suppliers will help businesses leverage new ways to innovate. With the 3DEXPERIENCE Marketplace, Dassault Systèmes brings to the industrial world an online trading platform as disruptive as the first retail marketplace.

### *Customers:*

**On February 22, 2018 Dassault Systèmes announced that Kärcher, the world's leading provider of cleaning technology, has adopted the 3DEXPERIENCE platform to digitally transform its existing processes worldwide and be first to market with efficient, resource-conserving cleaning systems, products and services.** Kärcher will rely on the "Single Source for Speed" industry solution experience based on the 3DEXPERIENCE platform. The company can integrate its product development processes, improve collaboration and knowledge sharing for up to 1,200 employees, and reduce product development and production costs.

## Today's Webcast and Conference Call Information

Today, Wednesday, April 25, 2018, Dassault Systèmes will first host from London a webcasted meeting 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 one 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 22, 2018  
Capital Markets Day, June 15, 2018  
Second Quarter 2018 Earnings: July 25, 2018  
Third Quarter 2018 Earnings: October 24, 2018  
Fourth Quarter 2018 Earnings: February 6, 2019

## **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 2018 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 2017 *Document de Référence* (Annual Report) filed with the AMF (French Financial Markets Authority) on March 21, 2018 and also available on the Company's website [www.3ds.com](http://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\$1.25 per €1.00 for the 2018 second quarter and US\$1.20 per €1.00 for the 2018 second half as well as an average Japanese yen to euro exchange rate of JPY135.0 to €1.00 for the 2018 second quarter and JPY134.5 to €1.00 for the full year 2018 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 2017 *Document de Référence* filed with the AMF on March 21, 2018.

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.

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

*3DEXPERIENCE, the Compass logo and the 3DS logo, CATIA, SOLIDWORKS, ENOVIA, DELMIA, SIMULIA, GEOVIA, EXALEAD, 3DVIA, BIOVIA, NETVIBES and 3DEXCITE are registered trademarks of Dassault Systèmes or its subsidiaries in the US and/or other countries.*

(Tables to Follow)

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## **APPENDIX TABLE OF CONTENTS**

(Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.)

Glossary of Definitions

### **IAS 18**

Non-IFRS Financial Information

Condensed consolidated statements of income

Condensed consolidated balance sheets

Condensed consolidated cash flow statements

IFRS – non-IFRS reconciliation

### **IFRS 15**

Reconciliation tables IFRS 15 and IAS 18

Reconciliation P&L IFRS 15 and IAS 18

Reconciliation Balance sheet IFRS 15 and IAS 18

Reconciliation Cash flow IFRS 15 and IAS 18

Non-IFRS Financial Information

Condensed consolidated statements of income

Condensed consolidated balance sheets

Condensed consolidated cash flow statements

IFRS – non-IFRS reconciliation

# **DASSAULT SYSTEMES**

## **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.

We have followed a long-standing policy of setting our revenue growth objectives in constant currencies and calculating a reported revenue range based upon the key currency exchange rate assumptions outlined in our quarterly earnings reports and in our half-year and annual regulatory documents. We also set our non-IFRS revenue objectives in constant currencies in order to provide transparency on our activities as compared to the impact of currency exchange rates.

### **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**

The Company's global customer base includes companies in 12 industrial sectors: Transportation & Mobility; Industrial Equipment; Aerospace & Defense; Financial & Business Services; High-Tech; Life Sciences; Energy, Process & Utilities; Consumer Goods & Retail; Natural Resources; Architecture, Engineering & Construction; Consumer Packaged Goods & Retail and Marine & Offshore. Commencing in 2012 we implemented an industry go-to-market strategy with the dual objectives of broadening and deepening our presence in our largest industries as well as

increasing the contribution from a diversified set of industrial sectors. “Diversification Industries” include: Architecture, Engineering & Construction; Consumer Goods & Retail; Consumer Packaged Goods & Retail; Energy, Process & Utilities; Finance Business Services; High-Tech; Life Sciences; Marine & Offshore; and Natural Resources. “Core Industries” include: Transportation & Mobility, Industrial Equipment, Aerospace & Defense 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 Licenses revenue, the Company calculates the percentage contribution by comparing total **3DEXPERIENCE** Licenses revenue to Licenses revenue for all product lines except SOLIDWORKS and acquisitions (“related 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”).

## IAS 18

### DASSAULT SYSTEMES NON-IFRS IAS 18 FINANCIAL INFORMATION

(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, 2018	March 31, 2017	Change	Change in cc*
<b>Non-IFRS-IAS18 Revenue</b>	<b>€ 771.2</b>	<b>€ 765.7</b>	<b>1%</b>	<b>9%</b>
<b>Non-IFRS-IAS18 Revenue breakdown by activity</b>				
Software revenue	687.6	676.1	2%	10%
<i>of which licenses and other software revenue</i>	<i>180.5</i>	<i>173.0</i>	<i>4%</i>	<i>14%</i>
<i>of which subscription and support revenue</i>	<i>507.2</i>	<i>503.2</i>	<i>1%</i>	<i>9%</i>
Services revenue	83.5	89.6	-7%	0%
<b>Non-IFRS-IAS18 software revenue breakdown by product line</b>				
CATIA software revenue	236.9	236.4	0%	5%
ENOVIA software revenue	72.9	73.6	-1%	11%
SOLIDWORKS software revenue	173.1	174.2	-1%	13%
Other software revenue	204.7	191.9	7%	14%
<b>Non-IFRS-IAS18 Revenue breakdown by geography</b>				
Americas	225.2	235.8	-4%	10%
Europe	326.5	323.1	1%	5%
Asia	219.4	206.9	6%	16%
<b>Non-IFRS-IAS18 operating income</b>	<b>€ 208.3</b>	<b>€ 200.7</b>	<b>4%</b>	
<b>Non-IFRS-IAS18 operating margin</b>	<b>27.0%</b>	<b>26.2%</b>		
<b>Non-IFRS net income attributable to shareholders</b>	<b>€ 152.2</b>	<b>€ 135.7</b>	<b>12%</b>	
<b>Non-IFRS-IAS18 diluted net income per share</b>	<b>€ 0.59</b>	<b>€ 0.53</b>	<b>11%</b>	<b>26%</b>
<b>Closing headcount</b>	<b>16,067</b>	<b>15,262</b>	<b>5%</b>	
Average Rate USD per Euro	1.23	1.06	16%	
Average Rate JPY per Euro	133.2	121.0	10%	

\* In constant currencies

## IAS 18

**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, 2018	March 31, 2017
Licenses and other software revenue	180.5	173.0
Subscription and Support revenue	505.3	497.2
Software revenue	685.7	670.2
Services revenue	83.5	89.6
<b>Total Revenue IFRS -IAS 18</b>	<b>€ 769.4</b>	<b>€ 759.8</b>
Cost of software revenue (excluding amortization of acquired intangibles)	(40.9)	(40.4)
Cost of services and other revenue	(79.4)	(82.8)
Research and development	(152.7)	(149.7)
Marketing and sales	(253.0)	(259.8)
General and administrative	(69.7)	(60.3)
Amortization of acquired intangibles	(41.8)	(41.2)
Other operating income and expense, net	(2.5)	(6.1)
Total Operating Expenses	(639.9)	(640.3)
<b>Operating Income</b>	<b>€ 129.3</b>	<b>€ 119.5</b>
Financial revenue and other, net	4.7	7.2
Income before income taxes	134.0	126.7
Income tax expense	(33.5)	(40.3)
<b>Net Income</b>	<b>€ 100.6</b>	<b>€ 86.4</b>
Non-controlling interest	0.3	(1.4)
<b>Net Income attributable to equity holders of the parent</b>	<b>€ 100.8</b>	<b>€ 85.0</b>
Basic net income per share	0.39	0.33
<b>Diluted net income per share</b>	<b>€ 0.39</b>	<b>€ 0.33</b>
Basic weighted average shares outstanding (in millions)	256.9	253.8
Diluted weighted average shares outstanding (in millions)	259.3	257.3

	Three months ended March 31, 2018	
	Change*	Change in cc**
<b>IFRS Revenue IFRS -IAS 18</b>	1%	10%
<b>IFRS Revenue by activity</b>		
Software revenue	2%	11%
Services revenue	-7%	0%
<b>IFRS Software Revenue by product line</b>		
CATIA software revenue	0%	5%
ENOVIA software revenue	-1%	11%
SOLIDWORKS software revenue	-1%	13%
Other software revenue	9%	17%
<b>IFRS Revenue by geography</b>		
Americas	-4%	11%
Europe	2%	6%
Asia	6%	15%

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

## IAS 18

**DASSAULT SYSTEMES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS (IFRS)**

(unaudited; in millions of Euros)

In millions of Euros	March 31, 2018	December 31, 2017
<b>ASSETS</b>		
Cash and cash equivalents	2,803.8	2,459.4
Short-term investments	41.3	1.3
Accounts receivable, net	749.7	895.9
Other current assets	215.1	242.9
<b>Total current assets</b>	<b>3,809.9</b>	<b>3,599.5</b>
Property and equipment, net	164.4	169.0
Goodwill and Intangible assets, net	2,899.2	2,990.1
Other non-current assets	287.6	271.2
<b>Total Assets</b>	<b>€ 7,161.1</b>	<b>€ 7,029.8</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Accounts payable	128.9	149.3
Unearned revenues	1,001.0	876.4
Other current liabilities	457.0	501.7
<b>Total current liabilities</b>	<b>1,586.9</b>	<b>1,527.4</b>
Long-term debt	1,000.0	1,000.0
Other non-current obligations	499.4	506.3
<b>Total long-term liabilities</b>	<b>1,499.4</b>	<b>1,506.3</b>
Non-controlling interests	1.6	1.9
Parent shareholders' equity	4,073.2	3,994.2
<b>Total Liabilities and Shareholders' equity</b>	<b>€ 7,161.1</b>	<b>€ 7,029.8</b>

## IAS 18

**DASSAULT SYSTEMES**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (IFRS)**

In millions of Euros	Three months ended		
	March 31, 2018	March 31, 2017	Change
Net Income attributable to equity holders of the parent	100.8	85.0	15.8
Non-controlling interest	<u>(0.3)</u>	<u>1.4</u>	<u>(1.7)</u>
Net Income	100.5	86.4	14.1
Depreciation of property & equipment	13.7	11.7	2.0
Amortization of intangible assets	43.9	43.3	0.6
Other non cash P&L items	16.7	7.8	8.9
Changes in working capital	232.1	198.6	33.5
<b>Net Cash provided by operating activities</b>	<b>€ 406.9</b>	<b>€ 347.8</b>	<b>€ 59.1</b>
Additions to property, equipment and intangibles	(11.9)	(18.3)	6.4
Payments for acquisition of businesses, net of cash acquired	-	(0.4)	0.4
Sale (purchase) of short term investments, net	(40.1)	(8.8)	(31.3)
Investments, loans and others	(0.1)	6.3	(6.4)
<b>Net Cash provided by (used in) investing activities</b>	<b>(€ 52.1)</b>	<b>(€ 21.2)</b>	<b>(€ 30.9)</b>
Acquisition of non-controlling interests	-	-	-
(Purchase) Sale of treasury stock	8.4	3.1	5.3
Proceeds from exercise of stock-options	12.3	5.3	7.0
Cash dividend paid	-	-	-
<b>Net Cash provided by (used in) financing activities</b>	<b>€ 20.7</b>	<b>€ 8.4</b>	<b>€ 12.3</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(31.1)</b>	<b>(6.3)</b>	<b>(24.8)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>€ 344.4</b>	<b>€ 328.7</b>	
<b>Cash and cash equivalents at beginning of period</b>	<b>€ 2,459.4</b>	<b>€ 2,436.7</b>	
<b>Cash and cash equivalents at end of period</b>	<b>€ 2,803.8</b>	<b>€ 2,765.4</b>	

## IAS 18

**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, 2017 filed with the AMF on March 21, 2018. 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		
	2018		2018	2017		2017		IFRS	Non-IFRS (2)
	IFRS	Adjustment (1)	Non-IFRS	IFRS	Adjustment (1)	Non-IFRS			
<b>Total Revenue IAS18</b>	<b>€ 769.3</b>	<b>€ 1.9</b>	<b>€ 771.2</b>	<b>€ 759.8</b>	<b>€ 5.9</b>	<b>€ 765.7</b>	<b>1%</b>	<b>1%</b>	
<b>Total Revenue IAS18 breakdown by activity</b>									
Software revenue	685.7	1.9	687.6	670.2	5.9	676.1	2%	2%	
Licenses and other software revenue	180.5		180.5	173.0		173.0	4%	4%	
Subscription and Support revenue	505.3	1.9	507.2	497.2	5.9	503.2	2%	1%	
<i>Recurring portion of Software revenue</i>	<i>74%</i>		<i>74%</i>	<i>74%</i>		<i>74%</i>			
Services revenue	83.5	0.0	83.5	89.6		89.6	-7%	-7%	
<b>Total Software Revenue IAS18 breakdown by product line</b>									
CATIA software revenue	236.9		236.9	236.4		236.4	0%	0%	
ENOVIA software revenue	72.9		72.9	73.6		73.6	-1%	-1%	
SOLIDWORKS software revenue	173.1		173.1	174.2		174.2	-1%	-1%	
Other software revenue	202.8	1.9	204.7	186.0	5.9	191.9	9%	7%	
<b>Total Revenue IAS18 breakdown by geography</b>									
Americas	224.3	0.9	225.2	233.9	1.9	235.8	-4%	-4%	
Europe	326.1	0.4	326.5	319.4	3.7	323.1	2%	1%	
Asia	218.8	0.6	219.4	206.5	0.4	206.9	6%	6%	
<b>Total Operating Expenses</b>	<b>(€ 639.9)</b>	<b>€ 77.1</b>	<b>(€ 562.8)</b>	<b>(€ 640.3)</b>	<b>€ 75.2</b>	<b>(€ 565.0)</b>	<b>0%</b>	<b>0%</b>	
Share-based compensation expense	(32.8)	32.8	-	(28.0)	28.0	-			
Amortization of acquired intangibles	(41.8)	41.8	-	(41.2)	41.2	-			
Other operating income and expense, net	(2.5)	2.5	-	(6.1)	6.1	-			
<b>Operating Income</b>	<b>€ 129.3</b>	<b>€ 79.0</b>	<b>€ 208.3</b>	<b>€ 119.5</b>	<b>€ 81.2</b>	<b>€ 200.7</b>	<b>8%</b>	<b>4%</b>	
<b>Operating Margin</b>	<b>16.8%</b>		<b>27.0%</b>	<b>15.7%</b>		<b>26.2%</b>			
Financial revenue & other, net	4.7	0.5	5.2	7.2	(6.7)	0.6	-35%	851%	
Income tax expense	(33.5)	(28.2)	(61.6)	(40.3)	(23.8)	(64.1)	-17%	-4%	
Non-controlling interest	0.3		0.3	(1.4)		(1.4)	-121%	-121%	
<b>Net Income attributable to shareholders</b>	<b>€ 100.8</b>	<b>€ 51.4</b>	<b>€ 152.2</b>	<b>€ 85.0</b>	<b>€ 50.7</b>	<b>€ 135.7</b>	<b>19%</b>	<b>12%</b>	
<b>Diluted Net Income Per Share (3)</b>	<b>€ 0.39</b>	<b>€ 0.20</b>	<b>€ 0.59</b>	<b>€ 0.33</b>	<b>€ 0.20</b>	<b>€ 0.53</b>	<b>18%</b>	<b>11%</b>	

(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 for net income and diluted net income per share, certain one-time tax effects and the income tax effect of the non-IFRS adjustments.

In millions of Euros	Three months ended March 31,					
	2018			2017		
	2018 IFRS	Adjustment	Non-IFRS	2017 IFRS	Adjustment	Non-IFRS
Cost of revenue	(120.3)	1.0	(119.3)	(123.3)	1.1	(122.2)
Research and development	(152.7)	12.2	(140.4)	(149.7)	11.8	(137.9)
Marketing and sales	(253.0)	6.4	(246.6)	(259.8)	9.2	(250.5)
General and administrative	(69.7)	13.2	(56.5)	(60.3)	5.9	(54.4)
<b>Total share-based compensation expense</b>		<b>€ 32.8</b>			<b>€ 27.9</b>	

(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 259.3 million diluted shares for Q1 2018 and 257.3 million diluted shares for Q1 2017.

## Summary of Principal Differences of IFRS 15 Compared to IAS 18

The Company has adopted IFRS 15 as of January 1, 2018 using the modified retrospective transition method (also called the cumulative effect method). Under this method, the transition effect is accounted for within the consolidated equity at the date of initial application, i.e. January 1, 2018, without any adjustment to the prior year comparative information. See also the Company's 2017 Document de Référence (Annual Report) for further information.

- *Recurring software*: Recurring software is comprised of subscription and support revenue. IFRS 15 has an impact on the timing of the quarterly recognition of subscription revenue but on a full year basis there is essentially no difference between IFRS 15 and IAS 18 for subscription contracts of one year in length. For the 2018 first quarter, recurring software revenue was €557.9 million under IFRS 15 and was €50.8 million higher compared to the prior IAS 18 standard. Previously, under IAS 18, we showed a ratable quarterly amount based upon the annual contract level of our on-premise subscription software. Under IFRS 15, for new contracts entered into or for contracts renewing, we have assigned an upfront value as required which is recognized in the first quarter of the contract, and the remainder which is recognized ratably during the four quarters. We continue to report both of these amounts within recurring revenue, specifically as subscription revenue (previously called periodic revenue). Historically, a higher proportion of subscription contracts are renewed in the first quarter of the year than in the other three quarters of the year.
- *Operating expenses and sales commissions*: The Company continues to expense sales commissions under the IFRS 15 standard as was done under IAS 18. Therefore, there are no capitalized sales commissions. As a result, the Company's operating expenses are identical under IFRS 15 and IAS 18.
- *One-time permanent difference*: The implementation of IFRS 15 on January 1, 2018 resulted in a one-time permanent difference between IFRS 15 and IAS 18, where the deferred portion of rental agreements concluded in prior years will not be recognized into revenue. As a result, the corresponding amount of €80 million, net of taxes (€110 million before) was recorded in stockholders' equity as of January 1, 2018.
- *Initial impact on unearned revenue*: At March 31, 2018 unearned revenue on the Balance Sheet under IFRS 15 is not directly comparable to the year-ago March 31, 2017 balance sheet under the prior standard IAS 18. This is due to the fact that the March 31, 2018 balance sheet line item unearned revenue has been reduced by €158 million, reflecting mainly (i) the one-time permanent difference of €110 million, and (ii) the higher amount of recurring revenue recognized in the first quarter under IFRS 15 compared to IAS 18 in the amount of €49.4 million.

**DASSAULT SYSTEMES**  
**RECONCILIATION P&L NON-IFRS IAS 18 vs IFRS 15**  
(unaudited; in millions of Euros)

In millions of Euros, except per share data and percentages	2018 Non-IFRS		
	QTD IFRS15	Difference	QTD IAS18
<b>Total Revenue</b>	<b>€ 820.6</b>	<b>(€ 49.4)</b>	<b>€ 771.2</b>
<b>Total Revenue breakdown by activity</b>			
Software revenue	737.0	(49.4)	687.6
Licenses and Other software revenue	179.1	1.4	180.5
Subscription and Support revenue	557.9	(50.8)	507.2
<i>Recurring portion of Software revenue</i>	76%	(0.0)	74%
Services revenue	83.5		83.5
<b>Total Software Revenue breakdown by product line</b>			
CATIA software revenue	250.7	(13.8)	236.9
ENOVIA software revenue	74.7	(1.8)	72.9
SOLIDWORKS software revenue	169.9	3.2	173.1
Other software revenue	241.7	(37.0)	204.7
<b>Total Revenue breakdown by geography</b>			
Americas	239.0	(13.8)	225.2
Europe	362.6	(36.1)	326.5
Asia	219.0	0.4	219.4
<b>Total Operating Expenses</b>	<b>(€ 562.8)</b>		<b>(€ 562.8)</b>
Share-based compensation expense	-		-
Amortization of acquired intangibles	-		-
Other operating income and expense, net	-		-
<b>Operating Income</b>	<b>€ 257.8</b>	<b>(€ 49.4)</b>	<b>€ 208.3</b>
<b>Operating Margin</b>	<b>31.4%</b>	<b>-4.4pts</b>	<b>27.0%</b>
Financial revenue & other, net	5.2		5.2
Income tax expense	(75.6)	14.0	(61.6)
Non-controlling interest	0.3		0.3
<b>Net Income attributable to shareholders</b>	<b>€ 187.6</b>	<b>(€ 35.4)</b>	<b>€ 152.2</b>
<b>Diluted Net Income Per Share</b>	<b>€ 0.72</b>	<b>(€ 0.13)</b>	<b>€ 0.59</b>

In millions of Euros	2018 Non-IFRS		
	2018 IFRS15	Difference	2018 IAS18
Cost of revenue	(119.3)		(119.3)
Research and development	(140.4)		(140.4)
Marketing and sales	(246.6)		(246.6)
General and administrative	(56.5)		(56.5)

**DASSAULT SYSTEMES**  
**RECONCILIATION BALANCE SHEET NON-IFRS IAS 18 vs IFRS 15**  
(unaudited; in millions of Euros)

In millions of Euros	IFRS15 Basis March 31, 2018	Difference	IAS 18 Basis March 31, 2018
<b>ASSETS</b>			
Cash and cash equivalents	2,803.8	-	2,803.8
Short-term investments	41.3	-	41.3
Accounts receivable, net	749.7	-	749.7
Other current assets	215.1	-	215.1
<b>Total current assets</b>	<b>3,809.9</b>	<b>-</b>	<b>3,809.9</b>
Property and equipment, net	164.4	-	164.4
Goodwill and Intangible assets, net	2,899.2	-	2,899.2
Other non-current assets	273.3	14.3	287.6
<b>Total Assets</b>	<b>€ 7,146.8</b>	<b>€ 14.3</b>	<b>€ 7,161.1</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Accounts payable	128.9	-	128.9
Contract liabilities - Unearned revenues	842.8	158.2	1,001.0
Other current liabilities	486.2	(29.2)	457.0
<b>Total current liabilities</b>	<b>1,457.9</b>	<b>129.0</b>	<b>1,586.9</b>
Long-term debt	1,000.0	-	1,000.0
Other non-current obligations	499.4	-	499.4
<b>Total long-term liabilities</b>	<b>1,499.4</b>	<b>-</b>	<b>1,499.4</b>
Non-controlling interests	1.6	-	1.6
Parent shareholders' equity	4,187.9	(114.7)	4,073.2
<b>Total Liabilities and Shareholders' equity</b>	<b>€ 7,146.8</b>	<b>€ 14.3</b>	<b>€ 7,161.1</b>

**DASSAULT SYSTEMES**  
**RECONCILIATION CASH FLOW NON-IFRS IAS 18 vs IFRS 15**  
(unaudited; in millions of Euros)

In millions of Euros	Three months ended March 31, 2018		
	IFRS 15	Difference	IAS 18
Net Income attributable to equity holders of the parent	136.3	(35.5)	100.8
Non-controlling interest	<u>(0.3)</u>	<u>0.0</u>	<u>(0.3)</u>
Net Income	136.0	(35.5)	100.5
Depreciation of property & equipment	13.7	-	13.7
Amortization of intangible assets	43.9	-	43.9
Other non cash P&L items	16.7	-	16.7
Changes in working capital	196.6	35.5	232.1
<b>Net Cash provided by operating activities</b>	<b>€ 406.9</b>	<b>€ 0.0</b>	<b>€ 406.9</b>
Additions to property, equipment and intangibles	(11.9)	-	(11.9)
Payments for acquisition of businesses, net of cash acquired	-	-	-
Sale (purchase) of short term investments, net	(40.1)	-	(40.1)
Investments, loans and others	(0.1)	-	(0.1)
<b>Net Cash provided by (used in) investing activities</b>	<b>(€ 52.1)</b>	<b>€ 0.0</b>	<b>(€ 52.1)</b>
(Purchase) Sale of treasury stock	8.4	-	8.4
Proceeds from exercise of stock-options	12.3	-	12.3
<b>Net Cash provided by (used in) financing activities</b>	<b>€ 20.7</b>	<b>€ 0.0</b>	<b>€ 20.7</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(31.1)</b>	<b>0.0</b>	<b>(31.1)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>€ 344.4</b>	<b>€ 0.0</b>	<b>€ 344.4</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>€ 2,459.4</b>	<b>€ 0.0</b>	<b>€ 2,459.4</b>
<b>Cash and cash equivalents at end of period</b>	<b>€ 2,803.8</b>	<b>€ 0.0</b>	<b>€ 2,803.8</b>

## IFRS 15

### DASSAULT SYSTEMES NON-IFRS IFRS 15 FINANCIAL INFORMATION

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

In millions of Euros, except per share data and percentages	<b>Three months</b>
	<b>March 31, 2018</b>
<b>Non-IFRS-IFRS15 Revenue</b>	<b>€ 820.6</b>
<b>Non-IFRS-IFRS15 Revenue breakdown by activity</b>	
Software revenue	737.0
<i>of which licenses and other software revenue</i>	<i>179.1</i>
<i>of which subscription and support revenue</i>	<i>557.9</i>
Services revenue	83.5
<b>Non-IFRS-IFRS15 software revenue breakdown by product line</b>	
CATIA software revenue	250.7
ENOVIA software revenue	74.7
SOLIDWORKS software revenue	169.9
Other software revenue	241.7
<b>Non-IFRS-IFRS15 Revenue breakdown by geography</b>	
Americas	239.0
Europe	362.6
Asia	219.0
<b>Non-IFRS-IFRS15 operating income</b>	<b>€ 257.8</b>
<b>Non-IFRS-IFRS15 operating margin</b>	<b>31.4%</b>
<b>Non-IFRS net income attributable to shareholders</b>	<b>€ 187.6</b>
<b>Non-IFRS-IFRS15 diluted net income per share</b>	<b>€ 0.72</b>
<b>Closing headcount</b>	<b>16,067</b>
Average Rate USD per Euro	1.23
Average Rate JPY per Euro	133.2

## IFRS 15

### DASSAULT SYSTEMES CONDENSED CONSOLIDATED STATEMENT OF INCOME (IFRS)

(unaudited; in millions of Euros, except per share data)

In millions of Euros, except per share data and percentages	<b>Three months ended</b>
	<b>March 31, 2018</b>
Licenses and Other software revenue	179.1
Subscription and Support revenue	556.0
Software revenue	735.1
Services revenue	83.5
<b>Total Revenue IFRS 15</b>	<b>€ 818.7</b>
Cost of software revenue (excluding amortization of acquired)	(40.9)
Cost of services and other revenue	(79.4)
Research and development	(152.7)
Marketing and sales	(253.0)
General and administrative	(69.7)
Amortization of acquired intangibles	(41.8)
Other operating income and expense, net	(2.5)
Total Operating Expenses	(639.9)
<b>Operating Income</b>	<b>€ 178.7</b>
Financial revenue and other, net	4.7
Income before income taxes	183.5
Income tax expense	(47.5)
<b>Net Income</b>	<b>€ 136.0</b>
Non-controlling interest	0.3
<b>Net Income attributable to equity holders of the parent</b>	<b>€ 136.3</b>
Basic net income per share	0.53
<b>Diluted net income per share</b>	<b>€ 0.53</b>
Basic weighted average shares outstanding (in millions)	256.9
Diluted weighted average shares outstanding (in millions)	259.3

**IFRS 15**

**DASSAULT SYSTEMES  
CONDENSED CONSOLIDATED BALANCE SHEET (IFRS)**

(unaudited; in millions of Euros)

In millions of Euros	<b>March 31, 2018</b>
<b>ASSETS</b>	
Cash and cash equivalents	2,803.8
Short-term investments	41.3
Accounts receivable, net	749.7
Other current assets	215.1
<b>Total current assets</b>	<b>3,809.9</b>
Property and equipment, net	164.4
Goodwill and Intangible assets, net	2,899.2
Other non-current assets	273.3
<b>Total Assets</b>	<b>€ 7,146.8</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	
Accounts payable	128.9
Contract liabilities	842.8
Short-term debt	0.0
Other current liabilities	486.2
<b>Total current liabilities</b>	<b>1,457.9</b>
Long-term debt	1,000.0
Other non-current obligations	499.4
<b>Total long-term liabilities</b>	<b>1,499.4</b>
Non-controlling interests	1.6
Parent shareholders' equity	4,187.9
<b>Total Liabilities and Shareholders' equity</b>	<b>€ 7,146.8</b>

**IFRS 15**

**DASSAULT SYSTEMES  
CONDENSED CONSOLIDATED CASH FLOW STATEMENT (IFRS)**

In millions of Euros	Three months ended
	March 31, 2018
Net Income attributable to equity holders of the parent	136.3
Non-controlling interest	<u>(0.3)</u>
Net Income	136.0
Depreciation of property & equipment	13.7
Amortization of intangible assets	43.9
Other non cash P&L items	16.7
Changes in working capital	196.6
<b>Net Cash provided by operating activities</b>	<b>€ 406.9</b>
Additions to property, equipment and intangibles	(11.9)
Payments for acquisition of businesses, net of cash acquired	-
Sale (purchase) of short term investments, net	(40.1)
Investments, loans and others	(0.1)
<b>Net Cash provided by (used in) investing activities</b>	<b>(€ 52.1)</b>
Acquisition of non-controlling interests	-
(Purchase) Sale of treasury stock	8.4
Proceeds from exercise of stock-options	12.3
Cash dividend paid	-
<b>Net Cash provided by (used in) financing activities</b>	<b>€ 20.7</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(31.1)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>€ 344.4</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>€ 2,459.4</b>
<b>Cash and cash equivalents at end of period</b>	<b>€ 2,803.8</b>

## IFRS 15

### 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, 2017 filed with the AMF on March 21, 2018. 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,		
	2018	Adjustment	2018
	IFRS	(1)	Non-IFRS
<b>Total Revenue IFRS 15</b>	<b>€ 818.7</b>	<b>€ 1.9</b>	<b>€ 820.6</b>
<b>Total Revenue IFRS 15 breakdown by activity</b>			
Software revenue	735.1	1.9	737.0
Licenses and Other software revenue	179.1		179.1
Subscription and Support revenue	556.0	1.9	557.9
<i>Recurring portion of Software revenue</i>	<i>76%</i>		<i>76%</i>
Services revenue	83.5		83.5
<b>Total Software Revenue IFRS 15 breakdown by product line</b>			
CATIA software revenue	250.7		250.7
ENOVIA software revenue	74.7		74.7
SOLIDWORKS software revenue	169.9		169.9
Other software revenue	239.8	1.9	241.7
<b>Total Revenue IFRS 15 breakdown by geography</b>			
Americas	238.1	0.9	239.0
Europe	362.2	0.4	362.6
Asia	218.4	0.6	219.0
<b>Total Operating Expenses</b>	<b>(€ 639.9)</b>	<b>€ 77.1</b>	<b>(€ 562.8)</b>
Share-based compensation expense	(32.8)	32.8	-
Amortization of acquired intangibles	(41.8)	41.8	-
Other operating income and expense, net	(2.5)	2.5	-
<b>Operating Income</b>	<b>€ 178.7</b>	<b>€ 79.0</b>	<b>€ 257.8</b>
<b>Operating Margin</b>	<b>21.8%</b>		<b>31.4%</b>
Financial revenue & other, net	4.7	0.5	5.2
Income tax expense	(47.5)	(28.2)	(75.6)
Non-controlling interest	0.3		0.3
<b>Net Income attributable to shareholders</b>	<b>€ 136.3</b>	<b>€ 51.4</b>	<b>€ 187.6</b>
<b>Diluted Net Income Per Share (3)</b>	<b>€ 0.53</b>	<b>€ 0.20</b>	<b>€ 0.72</b>

(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 for 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,		
	2018 IFRS	Adjustment	2018 Non-IFRS
Cost of revenue	(120.3)	1.0	(119.3)
Research and development	(152.7)	12.2	(140.4)
Marketing and sales	(253.0)	6.4	(246.6)
General and administrative	(69.7)	13.2	(56.5)
<b>Total share-based compensation expense</b>		<b>€ 32.8</b>	

(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 259.3 million diluted shares for Q1 2018 and 257.3 million diluted shares for Q1 2017.