Thank you for joining us for a review of our first quarter financial results.

Before beginning, let me state that some of the comments I will make on this call are forward-looking. Actual results could differ materially from those projected in forward-looking statements as discussed in our earnings press release which was released earlier this morning, and in our 2008 Document de référence, as filed with the AMF in France on April 2, 2009.

I would remind you that most of the financial figures I am reviewing with you today are given on a non-IFRS basis. We believe the presentation of supplemental non-IFRS financial information is helpful in order to better understand our performance. Reconciliations between IFRS and non-IFRS figures are included in our earnings press release, which has been posted on our website 3ds.com.

Summary Financial Results

Our final financial results for the first quarter were in line with our preliminary release.
• Non-IFRS total revenue was 311 million euros. This represented an increase of 1 percent in comparison to the 2008 first quarter. It was, however, about 6 percent below our objective of 325 to 335 million euros.

• Our operating margin and EPS were in line with our objectives thanks to good execution on our cost savings initiatives which helped us offset the lower revenue results due to the worsening global economic climate. In fact, during the first quarter, we were able to drive more than 15 million euros of additional savings compared to our former goal.

• Our non-IFRS operating margin came in at 19.4 percent, tracking to our objective range of 18 to 21 percent. And our non-IFRS earnings per share were 37 cents compared to our objective range of 36 to 42 cents and represented a decrease of 10 percent.

The change in the macroeconomic environment translated into greater hesitancy in purchasing decisions by our customers and is consistent with what other software companies have been seeing.

**First Quarter Review**
Looking at our results regionally, what was visible in all geographic regions was the general lack of large transactions. This shows the tendency by companies, if they move ahead, to do so on a smaller budget. Interestingly, the total number of transactions with customers is up, demonstrating the interest and need for our software solutions.

We did see a pronounced decline compared to the fourth quarter in the Americas and in Asia.
• In the Americas, the slowdown was visible in both large and mid-market accounts, with total revenue down 10 percent in constant currencies compared to flat growth in the fourth quarter.

• Turning to Asia, in the fourth quarter the weakness was limited to Japan. But in the first quarter it spread to Korea leading to a decline in total revenue of 11 percent in constant currencies for the first quarter compared to a decline of 4 percent in the fourth quarter.

• Here in Europe, the environment was similar to the fourth quarter leading to stable total revenue performance year on year.

• Total software revenue decreased 5 percent in constant currencies for the first quarter. New license growth was significantly impacted by the worsening of the economic crisis partly offset by recurring software revenue growth. Specifically, new licenses revenue declined 40 percent year over year while recurring software revenue increased 15 percent.

• Looking by market segment, PLM software revenue decreased 6 percent in constant currencies. In Mainstream 3D, software revenue decreased 2 percent in constant currencies reflecting good growth from subscriptions which helped offset weaker new license activity.

• We had a solid level of operating cash flow in the first quarter benefiting, in particular, from working capital improvements.

• Operating cash flow of 96 million euros, as well as favorable currency exchange rate impacts, led to a good increase in both cash and our net cash position. At quarter end, cash and cash equivalents were over 900 million euros, and net of 200 million euros of long-term debt, our net cash position was 700 million euros.
Cost Initiatives Program

Both earnings and operating margin were in-line with our first quarter objectives thanks to the cost savings plan we had in place. Based on results for the first quarter and consistent with our strategy, we are now targeting about 80 to 90 million euros of additional savings during 2009 compared to our former goal. 15 million euros of these savings have already been achieved in the first quarter.

This program encompasses 1) all types of costs that vary with revenue; 2) stable staffing; 3) marketing and communications; 4) non-customer related travel; 5) MIS and IT; and 6) other expenses and purchasing activities.

2009 Financial Objectives

Despite the market environment, we have decided to continue to share our financial objectives even though a number of companies have stopped. But based upon the greater uncertainty in the market, we have decided to widen our objective ranges in comparison to what we have historically done.

Our goal in providing this broader range is to help analysts and investors assess what would be the impact on DS’ operating margin and earnings per share if revenue were to vary more than we have anticipated.

Turning to our objectives:

- We are assuming a potential decrease in our 2009 non-IFRS total revenue of about 5 to 9 percent in constant currencies. This would lead to a reported revenue range of about 1.26 billion to 1.31 billion euros at assumed currency exchange rates.
• Based upon this level of revenue growth, but thanks to our cost savings programs, we are targeting to maintain an operating margin of about 25 percent. In order to reflect the wider revenue range we have set a non-IFRS operating margin range of about 24 to 26 percent.

• In combination with these factors, as well as the impact of lower interest rates on our financial revenue, leads to a 2009 non-IFRS EPS objective range of about 1.78 to 2.00 euros.

**Business Review**

During the first quarter we made solid progress in strengthening our market leadership: in Mainstream 3D with SolidWorks extending its footprint and in PLM where our solutions are helping customers increase their operational efficiency. This is happening with customers in our core industries, in new domains and in a number of our target verticals.

Turning first to SolidWorks, I am extremely pleased to announce that the SolidWorks installed base has reached the one million seat milestone in March of this year. This success is a reflection of the strong community of SolidWorks users’ and value-added resellers.

Turning to PLM, I would like to give some examples across our PLM brands to illustrate how we can help our customers improve their operational efficiency.

Our customers are benefiting from significant productivity gains using CATIA’s powertrain solutions. And with eco-design driving a dramatic evolution in propulsion technology this is only helping increase CATIA’s momentum in gaining share in powertrain as shown by the following two examples.
• In Europe, BMW has selected CATIA in powertrain for the design of all BMW engines. And BMW is also reducing the cost of ownership by standardizing on CATIA.
• In the U.S., Ford has benefited from its decision to select CATIA as the global design and engineering standard. Ford has implemented best-in-class practices for all its powertrain programs in order to reduce cycle time and improve quality.

Using the simulation solutions of our SIMULIA brand, Weatherford, a large and leading provider of products and services in the oil & gas industry, is able to explore how to best extract oil in an environment in which the extraction has become much more difficult to manage. Weatherford has been able to reduce the analysis project timetable by an estimated 60 percent and the project cost by about 75 percent.

There are a number of examples of improving operational efficiency with our ENOVIA software. Let me share just three:

• Great Wall, a leading Chinese automotive company, selected ENOVIA to simplify management of regulatory and material compliance in new vehicle development.
• ENOVIA is winning key references in the fashion industry. In this industry cycle times are very short – sometimes as little as 3 weeks, so having the information you need is key to making the right decisions where time is of the essence. We are pleased that Guess, a leading global apparel company headquartered in the U.S. is using our ENOVIA V6 to enable early visibility with its Asian sourcing offices. And moving across the globe to India, Trent, a Tata Group company and operator of Trent Westside one of India fastest
growing retailers, has selected our ENOVIA V6 Apparel Accelerator for Design & Development.

Summary
In summary, our financial objectives have been developed based upon the severity of the economic climate during the first quarter. Nonetheless, we continue to see a good level of interest in our solutions as evidenced by the increasing number of transactions during the quarter. And, despite the recession, we continue to have a high level of discussion and interactions with customers with respect to their future needs. We are confident that when there is more clarity regarding the macroeconomic environment, these discussions will materialize into new business.

As a company, we move forward with a very clear strategy: to support our customers and sales channel partners around the world, to continue to advance our strategic R&D initiatives and product roadmap, to realize the cost savings targets we have outlined, and to continue to focus on strong execution across all of Dassault Systemes.

At this point, I will stop to take your questions.

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