

**DASSAULT SYSTEMES and MEDIDATA JOINT
CONFERENCE CALL
June 12, 2019**

François-José Bordonado
Vice President, Investor Relations

Thank you for participating in this conference call. Earlier this morning we announced the signing of a definitive merger agreement for Dassault Systèmes to acquire Medidata Solutions, Inc.

On today's call are Bernard Charles, our Vice Chairman & CEO and Pascal Daloz, our EVP, CFO & Corporate Strategy Officer. Joining us from Medidata are Tarek Sherif, Co-Founder, Chairman & CEO, and Glen de Vries, Co-Founder, President & Director.

Before we begin, let me remind you that some of the comments we will make on this call will contain forward-looking statements, which could differ materially from actual results. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about the consummation of the proposed merger and the anticipated benefits thereof. These and other forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statements. In addition, this material does not constitute a solicitation of proxy, an offer to purchase or a solicitation of an offer to sell shares of Medidata's common stock. In connection with the proposed merger, Medidata will file a proxy statement with the United States Securities and Exchange Commission (the "SEC"). Medidata's stockholders are strongly advised to read these documents and any other documents that

Medidata will file with the SEC, because they will contain important information that Medidata's stockholders should consider before voting on the merger.

Please refer to the **Additional Information and Where to Find It** section of the press release announcing the signing of the definitive merger agreement for Dassault Systèmes to acquire Medidata Solutions, Inc.

I would now like to turn the call over to Bernard Charles.

Bernard Charles
Dassault Systèmes' Vice Chairman and CEO

Thank you and welcome to this exceptional conference call. I would like to give a special welcome to Tarek and Glen from Medidata who are here with us in Paris for our joint call today.

SUMMARY INTRODUCTION: STRATEGIC RATIONALE

For many reasons our announcement should come as no surprise, as it is in perfect alignment with our purpose. As the Life Sciences industry shifts its focus to personalized medicine and patient-centric experiences, we believe scientific innovation and industrial performance call for a **unified new approach and this is exactly what we have been working towards with our investments in Life Sciences over the last years.**

The acquisition of Medidata, with its clinical and commercial solutions, reinforces our position as a science-based company by providing the Life Sciences industry with an integrated business experience platform for an end-to-end approach to research and discovery, development, clinical testing, manufacturing and commercialization of new therapies and health technologies.

Importantly, Medidata's leadership in clinical trials complements our Life Science solutions on the **3DEXPERIENCE** collaborative platform. Further, with its recent expansion into real world evidence analytics - coupled with the power of modeling and simulation – we will be able to demonstrate together how the virtual world will catalyze the next generation of patient-inclusive therapeutics. We are now well positioned to be the enabler of the Life Sciences industry transformation, elevating our Company's purpose of harmonizing product, nature and life.

Headquartered in New York, Medidata will become a new Dassault Systèmes brand, and continue to be led by its co-founders and executive team.

DASSAULT SYSTEMES AND LIFE SCIENCES

Since 2010, we have taken several major steps expanding our capabilities and footprint in Life Sciences from our historical strengths and market leadership in Medical Device modeling and simulation.

- We initiated multiple research programs in Life Sciences including our ‘Bio-Intelligence’ work focused on collaborative discovery & pre-clinical modeling & simulation oncology, with leading pharmaceutical companies and research institutes around the world.
- In 2014 we created our BIOVIA brand, formed from the combination of our Bio-Intelligence capabilities and the acquisition of Accelrys, a leading provider of software solutions for chemical, materials and bioscience research for the pharmaceutical, biotechnology, consumer packaged goods, aerospace, energy and chemical industries.
- During that same year, we also signed a five-year collaborative research agreement with the US FDA targeting the development of testing paradigms for the insertion, placement and performance of pacemaker leads and other cardiovascular devices used to treat heart disease in connection with our Living Heart Project.
- In 2018, we acquired COSMOlogic, bringing fluid phase computational chemistry software capabilities.

As a result, we collaborate with the world’s top 20 biopharma companies, hundreds of biotechnology companies, medical device manufacturers, research institutes, and governmental regulatory agencies to develop and bring to market innovative health products and technologies, using the power of virtual universes to transform the patient experience.

DASSAULT SYSTEMES AND MEDIDATA

Combining with Medidata is the natural next step. As we will discuss on this call:

- The company has a leading position in the clinical market and has introduced significant capabilities to address the commercial market.
- In turn, Medidata has produced a strong track record of client, revenue and earnings growth since its initial public offering.
- Medidata fits perfectly into our industry solution experiences offer; it is highly complementary, both to our industry solutions themselves as well as to our BIOVIA brand as well as our other brands.
- Its customer base is also highly complementary to Dassault Systèmes on a combined basis, looking across Pharmaceutical, BioPharma, Contract Research Organizations and Medical Device Companies.
- We also see a significant opportunity with the strengths we can bring to Medidata over the mid-term on a geographic basis with our strong presence in Europe and Asia to extend its global reach.

Following completion of this acquisition, Life Sciences will become our second largest industry after Transportation & Mobility.

Finally, as we discussed on our first quarter earnings calls in April, as drugs and therapeutics shift to the world of biological drugs (meaning large molecules), representing an estimated 40% of pharmaceutical R&D pipelines currently, the industry is moving to a world of personalized health and the reshaping of the Patient Experience is also so key for the quality of the service. As we think about the Life Sciences industry and the broader ecosystem around Health Care, the opportunity for our company over the coming decades is significant.

I look forward to welcoming soon Medidata and all of its workforce with incredible talents to Dassault Systèmes. We have been following closely its

progress for a number of years, and initiated discussions last year to develop a more formal relationship. As we discussed a potential partnership, the discussions led both companies to this morning's announcement.

With that let me now turn the call to Tarek Sherif, Medidata's Co-Founder, Chairman & CEO.

Tarik Sherif
Medidata Solutions Co-Founder, Chairman & CEO

Thank you, Bernard. I want to start by saying how thrilled I am about what is ahead for Medidata and for our two companies. Together, I believe we will deliver tremendous value for all stakeholders and unlock opportunities for our customers and patients, advancing life sciences in the age of precision medicine.

It is great to be with you all today, and to spend some time explaining the strategic rationale of this transaction to the investment community.

OVERVIEW

For those of you who do not know us, Medidata is a global life sciences technology provider dedicated to improving the way trials are designed and conducted and drugs are analyzed and commercialized.

Our cloud-based platform of solutions, data analytics, and AI enables efficiency and improves quality throughout clinical development programs by accelerating processes, enhancing decision-making, minimizing operational risk, reducing costs, and transforming trial strategies.

COMPANY HISTORY

Medidata was founded nearly 20 years ago to the day, by myself and our president Glen de Vries. We IPO'd on the NASDAQ stock exchange 10 years ago this month. Over the course of these two decades a lot has changed, as evidenced by revenue growth of nearly 5X as a public company, but one critical aspect has not changed, our DNA: We are a mission-driven company and everything we do ultimately **Powers Smarter Treatments and Healthier People.**

This point aligns very well with Dassault Systèmes. Both of our companies clearly value the importance of a purpose to center a company and give customers a clear sense of motivation.

Today, our unified platform, pioneering analytics, and clinical technology expertise power the development and commercialization of new therapies. The Medidata Cloud is the connective tissue between patients, physicians, regulators, payers and life sciences companies themselves. Companies on our Medidata platform are individually and collaboratively reinventing the way research is done to create a smarter, more precise treatment. 13 of the top 15 drugs sold in 2018 were powered by our technology.

At the time of our IPO, we had about 150 customers. Over the past decade, we have grown that number eight-fold. Today, we work with many of the world's largest pharmaceutical companies, biotech and medical device firms, academic medical centers, and CROs. This has translated into strong top-line growth, of 18% on average, and healthy profits with a non-GAAP operating income CAGR of 22% through our latest fiscal year. We are pure SAAS and our revenues comprise about 85% subscription and 15% professional services.

OFFERING/SCALE

I think this progress is attributable to both our technology and our deep domain expertise, which reinforce strong customer relationships. Thanks to this trust we have built with our customers, we have consistently expanded customer relationships, helping to drive our good growth.

We have 1300 customers on our platform, spanning multi-study enterprise agreements, and single-study contracts. We have run more than 17,000 trials on our platform, reflective of the fact that we are the market leader in electronic data

capture. Those 17,000 trials represent 4.9 million patients, 600,000 site sponsor relationships and billions of data points, making us a strong partner with our customers in the advancement of innovation and improved patient outcomes.

We are headquartered in New York City, and we have 16 offices around the globe, spanning seven countries including the UK, Japan, Korea, China, Singapore and Germany, with a workforce of about 2,800 people.

LOOKING AHEAD

In summary, I'm looking forward to this next evolution of Medidata as a part of Dassault Systèmes. This is a great move for our employees, for our customers, and for our shareholders. Patients will be the ultimate beneficiaries and we will continue to create shareholder value along the way.

And with that I want to turn it over to Medidata's Co-founder and President, Glen de Vries to walk you through our product offerings in more detail.

Glen M. de Vries
Medidata Solutions Co-founder, President & Director

First, I want to echo what Tarek said about the alignment of our two companies. I could not be more excited about what this transaction will ultimately do for our customers, patients, and broadly, for life sciences.

MEDIDATA: THE OPPORTUNITY TO IMPROVE PATIENTS' OUTCOMES

Medidata is focused in two areas of a therapy's lifecycle: clinical and commercial. To set the stage for the challenges we help Life Sciences companies address, I want

to share how the odds of developing a blockbuster drug are really stacked against sponsors.

- The industry average success rate of a new drug going from a Phase 1 clinical trial to regulatory approval remains below 10%;
- The average timeline from discovering a new drug to approval is ten years;
- As a result, the average costs to develop a new drug are estimated at 2.6 billion dollars. And the cost to not being able to help patients is not even something that we can measure.
- And finally, affecting both Life Sciences companies, and patients & society in the longer run, is the fact that after all this, 50% of drug launches underperform expectations, placing a larger burden on the few drugs that do succeed.

Nonetheless, incredible therapeutic innovation is in the laboratories and development pipelines of the life sciences industry and investments in those new therapies are growing at a rapid clip.

MEDIDATA: OFFER AND BUSINESS

Now, let me briefly share with you a picture of our platform and portfolio, from Clinical Trial Planning and Management, to Commercial and real-world Analytics, as well as a new family of products, centered on Artificial Intelligence:

- For Clinical, we have the **Rave family**, which unifies all the capabilities our customers and partners need to run their clinical trials, end to end. Simply put, enter data once and let the platform master and populate it throughout the entire suite of Rave applications. By far the most comprehensive suite in the market, it spans across Data Capture and Management, Clinical operations and financial management, everything you need to optimize a trial at every step.

- Last year we acquired **SHYFT Analytics**, a leading platform for commercial and real-world data analytics with products designed specifically for the pharmaceutical, biotech, and medical device industry. The SHYFT platform is the most efficient and scalable way to transform massive amounts of complex healthcare data into on-demand clinical and commercial insights.
- And fueled by one of the largest regulatory-grade clinical data repositories in the world from the Rave platform, we launched **Acorn AI** at the beginning of this year. Acorn AI builds on the foundation of innovation and data science that we have been creating for nearly a decade at Medidata. Acorn AI accelerates digital transformation in Life Sciences in the age of Precision Medicine. It is designed to provide actionable insights to the front lines of decision-making by making data liquid, and going beyond integrated workflows to a truly intelligent platform across the entire lifecycle, from R&D to commercialization.

We are well positioned to grow near-term on both the clinical and commercial side and in the long-term through the combination of the EDC market, and our broad clinical, commercial and data platform.

Finally, on a personal note, I am just thrilled to be here and see what our teams can accomplish together, and look forward to the value we will be delivering for all of our stakeholders.

Let me now turn the call to Pascal.

Pascal Daloz
Dassault Systèmes EVP, CFO and Corporate Strategy Officer

Thank you, Glen.

CREATING AN END-TO-END PLATFORM FOR LIFE SCIENCES

Let me begin by sharing with you how we are creating the first end-to-end scientific and business platform for the Life Sciences industry.

- We begin in **Research & Discovery**, where we have our Designed to Cure industry solution focused on speeding time to innovation with higher quality novel therapeutics.
- For **Pre-Clinical Development**, we have our OneLab Industry Solution Experience.
- Medidata then brings its significant capabilities in **Clinical Testing**, the largest area of investment for Life Sciences companies, presenting a significant opportunity for innovation combining both Medidata's real world capabilities with our virtual world modeling and simulation capabilities.
- In **Manufacturing**, we have two industry solution experiences to assist Life Sciences companies.
- And then in **Commercialization**, Medidata brings critical assets.

PREPARING THE FUTURE: SIGNIFICANT EXPANSION OF OUR ADDRESSABLE MARKET OPPORTUNITY

Our Total Addressable Software Market today is approximately 33 billion dollars. When you look by our three spheres, Product, Nature and Life approximately 25 billion dollars is our target TAM in the product sphere, about 4 billion in nature and about 4 billion dollars in Life. The acquisition of Medidata would represent

an important expansion of our addressable software market, adding an estimated 7 billion dollars to about 40 billion dollars in total.

TRANSACTION SUMMARY AND ESTIMATED TIMELINE

Turning to the transaction, we have signed a definitive agreement to acquire 100% of Medidata in an all cash transaction in the amount of 5.8 billion US dollars. The transaction was approved by both Boards of Directors.

The transaction is subject to receipt of regulatory approvals, the approval of Medidata Solutions' shareholders and certain other customary closing conditions. The transaction is expected to be completed during the fourth quarter. We are, of course, well positioned to close sooner if this estimated timeline shortens.

MAINTAINING OUR FINANCIAL FLEXIBILITY

In parallel with the signing of the definitive merger agreement, we have in place a 4 billion euro committed financing facility from a group of banks to fund the acquisition in addition to using approximately 1.3 billion euros of our cash.

This financing facility of a €4 billion equivalent debt package with an expected strong investment grade rating is comprised of a term loan in the amount of €1 billion and a €3 billion bridge-to-bond facility that we expect to refinance in the next few months with laddered bond tranches. Our objective is to deleverage fairly and rapidly and to maintain a net debt to EBITDA ratio of around 1x across the investment cycle.

We estimate a net financial cost to fund the acquisition in the amount of 18 million euros for one quarter of 2019, about 55 million euros for 2020 and descending progressively from there. These figures take into account the use of cash, and estimated interest expense as well as financing costs.

MEDIDATA FINANCIAL OVERVIEW

As Medidata is a public company, its reports and filings present detailed financial information, but let me share a few figures here. For its fiscal year ended December 31, 2018 Medidata's revenues totaled 636 million dollars, with 536 million of SAAS subscription software revenue and Services revenue of 100 million dollars. Approximately 76% of its sales were in the Americas, 14% in Europe and 10% in Asia. Medidata's non-GAAP operating margin was 23.4% and its non-GAAP net income was about 104 million dollars.

ESTIMATED FINANCIAL CONTRIBUTION

We will wait to give our specific guidance for Medidata's contribution to our 2019 financial results at the time of our third quarter earnings. For now, let me point out that we are likely to take into account natural post-closing onboarding events that may have a temporary productivity impact. In addition, our guidance will take into account an estimate for the US dollar to Euro exchange rate. Then, once consolidated we may decide to expense certain Medidata R&D amounts that are currently capitalized so the non-GAAP equivalent operating margin would be closer to about 16% in that case.

Looking out longer-term, based upon our analysis, Medidata is likely to represent a large portion of the 80 cent contribution we assumed from the acquisitions and marketplace activities as part of our 2023 EPS goal of 6 euros per share.

Let me now turn the call back to Bernard.

Bernard Charles
Vice Chairman of the Board of Directors and CEO

Thank you, Pascal.

CONCLUDING PERSPECTIVES

Before opening to questions, I would like to share some final important points, not just on today's announcement but also on our global priorities as a company towards the industries and customers we serve.

- Our first priority continues, building on our momentum with the **3DEXPERIENCE** platform as a key enabler for industry renaissance in the industries we address. Our objective, as we have shared with you since our 2018 Capital Markets Day, is to make **3DEXPERIENCE** the large majority of our software business over the next four years.
- Second, we have invested heavily, many billions of euros to support our core industries and our leadership in Transportation & Mobility, Aerospace & Defense and Industrial Equipment to name a few. We will continue to advance our innovation on behalf of these clients. Our investments in biology, chemistry and material sciences clearly demonstrate the cross-industry benefits of our investments and expansion of our reach.
- Third, we believe the **3DEXPERIENCE** platform can be a critical enabler for innovation and transformation across all major industries where the drive to provide new types of customer experiences, in this case Patient Experiences, and new business models is emerging and accelerating. We see these possibilities across the three spheres addressed by our purpose: Product, Nature and Life.
- Fourth, our investment in Medidata complements very well our brands, notably BIOVIA. Altogether with all our brands, we now have an end to end set of industry solution experiences for the Life Sciences industry.

To conclude, we believe the combination of scientific modeling, simulation and patrimony of worldwide clinical trials knowledge and know-how that Medidata has been able to build over years can be a profound catalyst to accelerate developments in personalized health, patient-centric experiences and the next standard of medical practices.

We would now be happy to take your questions.

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