Thank you for joining me today to review Dassault Systemes’ first quarter.

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 today’s earnings press release, and in our regulatory documents filed with the AMF.

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 that the inclusion 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.
First Quarter Summary

2010 marks the beginning of a new stage of growth for Dassault Systemes. We have been preparing for this new era for a number of years, and with the completion of the acquisition of IBM PLM we now have all the resources within Dassault Systemes to execute on our vision.

Turning to our financial results, let me begin with a few qualitative observations.

- The first quarter brought a key milestone for Dassault Systemes as we completed the largest acquisition in our history, IBM PLM, a sales and marketing organization responsible for our sales to large companies in combination with our internal direct sales. This combined channel serves our large customers and represents about 50 percent of our total revenue. We expect the acquisition to be synergistic enabling us to better leverage the resources we have, leading to a broadening of the territories we can cover and greater productivity as sales account executives will be able to sell our entire PLM portfolio.

- From a financial perspective, we came in at the high end of our objectives. So certainly gratifying in the context of the acquisition. First quarter consensus figures were revenue of 294 million euros, operating margin of 21.4 percent and EPS of 37 cents compared to our revenue of 312 million euros, operating margin of 22.1 percent and EPS of 43 cents.
• This was the first quarter in more than a year that we had an increase in new license activity, with new licenses revenue increasing 19 percent in constant currencies in comparison to the 2009 period. New licenses revenue is a key indicator demonstrating the improvement in the environment, and it will also help fuel recurring revenue leading to higher revenue growth in total as the global economic recovery progresses.

• Although overall revenue growth is modest at this stage due to the lag effect of last year’s recession on recurring revenue, we were able to deliver operating margin expansion and earnings growth. Our cost savings and efficiency efforts from last year are having a positive impact in 2010 and we also benefited from a more favorable currency environment.

First Quarter Financial Summary
Turning to our software revenue results in detail,

• Our major brands posted double-digit new licenses revenue growth.

• Looking by sales channel, we saw encouraging signs across all channels. In the PLM SMB market we are starting to see some increase in activity which led to double-digit new licenses revenue growth. Similarly our channel for large enterprises also grew new licenses revenue double-digits, benefiting from a number of important transactions. And in our channel focused on the 2D to 3D
migration opportunity, activity also started to improve with higher year on year demand in most geographic regions.

- From a geographic perspective, we saw double-digit new licenses revenue growth in our three regions, Europe, the Americas and Asia.

- Recurring software revenue results tracked to our expectations with just a slight decrease of 1 percent in constant currencies. We noted some positive signs with respect to subscription renewal rates which have stabilized and have started to improve.

- Services, which also lag the improvement in new activity, represented 10 percent of total revenue in the first quarter and decreased 14 percent in constant currencies.

- Turning to our profitability, our operating income and margin performance benefited from continued attention to cost control. The first quarter was favored more than we will see in future quarters as our cost savings plan was just starting to ramp during the 2009 first quarter.

- Our non-IFRS operating margin expanded 270 basis points to 22.1 percent compared to 19.4 percent in the year-ago period reflecting a decrease in expenses due to the ongoing benefits from the Company’s cost and efficiency programs and in part to currencies.

- Non-IFRS EPS increased 16 percent, driven by margin expansion and as well as the positive impact of currencies.
• Our net cash flow from operations was 133 million euros for the first quarter, up significantly from last year’s level of 96 million euros, thanks to working capital improvements. And we remain with a strong cash level following the IBM PLM acquisition, with cash, cash equivalents and short-term investments totaling 905 million euros at March 31st.

2010 Financial Objectives
Turning to our financial objectives for 2010, we are reconfirming our constant currency revenue growth objective and our operating margin objective and increasing our earnings per share target.

Specifically, we are reconfirming our objective for 2010 non-IFRS revenue to increase in the range of 15 to 17 percent in constant currencies. We are also reconfirming our non-IFRS operating margin objective of about 26 percent, which would represent an increase of about 100 basis points in comparison to 2009.

We are increasing our non-IFRS EPS growth target to about 18 to 23 percent growth, or 2.19 to 2.28 euros, reflecting a better evolution of currency exchanges rates than we had assumed.
Our objectives include our acquisition of IBM PLM as they did in the first quarter.

**Business Review**
The business environment during the first quarter of 2010 was certainly very different from one year-ago at this time. From everything all of us are hearing, a progressive global economic recovery is underway - and we have a number of positive signs in our business that point to this.

At the same time, given the magnitude of the downturn, we continue to believe that the improvement in the business environment will be a gradual one.

On top of the cyclical recovery, DS is entering a new stage of growth and we are ready to forge ahead.

- With respect to technology, we are at the beginning of a new phase of adoption of our Version 6 software with its natively online architecture and its integrated applications portfolio. Importantly, Version 6 is quite promising because it very exactly answers to the most important current customer needs, and the answers we have provided with Version 6 are truly original and cannot be found in our competitors’ value proposition.
We are building a track record of V6 customers, representing 320 clients at the end of Q1 2010. Last year we announced V6 engagements with leading companies in our target industries including Renault in automotive, Piaggio Aero in aerospace, P&G in consumer packaged goods and VF, the world’s largest apparel company, among many others.

This quarter, we continued to progress in our diversification with additional wins in high tech and energy, shipbuilding and apparel. We are pleased to announce that Meyer Werft, headquartered in Germany and one of the world’s leading cruise ship builders, has selected ENOVIA V6, based on the robustness of our ENOVIA infrastructure. In the energy sector, Dongfeng Boiler Group, one of the largest power station boiler suppliers in China, selected ENOVIA V6 to support its global collaboration requirements. And in apparel, we had wins with s.Oliver and Charles Vögele.

- With respect to our brands, we are in leading positions in attractive markets, most with the opportunity to drive double-digit revenue growth over the mid-term.

- With respect to our sales channels, our go-to-market strategy has led to the development of three unique channels. They enter 2010 with their
capacity in place and well positioned on their respective markets. We will continue to add to our industry expertise, building upon the foundation we have developed.

**Summary**

Finally each day new companies and existing clients are discovering how PLM can help them manage their most critical business processes, and this discovery is happening in more and more industries.

So for us at Dassault Systemes 2010 is the beginning of a new and exciting stage of growth. We are ready with our product portfolio, with our technology, with our sales channels and with our infrastructure.

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