

Dassault Systèmes

Analysts Meeting Q1 2010

“Q1 2010: a Defining Moment.”

Bernard Charles, President and CEO
Thibault de Tersant, Senior EVP and CFO

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 DS 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. In preparing such forward-looking statements, the Company has in particular assumed an average U.S. dollar to euro exchange rate of US\$1.40 per €1.00 and an average Japanese yen to euro exchange rate of JPY130 to €1.00 for 2010; however, currency values fluctuate, and the Company's results of operations may be significantly affected by changes in exchange rates. The Company has tried to factor in the potential impact of the current global economic environment on its 2010 second quarter and full year objectives, but conditions may not improve as the Company has anticipated or could worsen. Further the Company has assumed that its increased responsibility for its direct PLM sales, in particular resulting from the integration of the IBM PLM acquisition which was completed on March 31, 2010, and the resulting commercial and management challenges, will not cause it to incur substantial unanticipated costs and inefficiencies. The Company's actual results or performance may also be materially negatively affected by the current global economic crisis, difficulties or adverse changes affecting its partners or its relationships with its partners, including the Company's longstanding, strategic partner, IBM; new product developments and technological changes; errors or defects in its products; growth in market share by its competitors; and the realization of any risks related to the integration of IBM PLM within DS and of any newly acquired company and internal reorganizations. Unfavorable changes in any of the above or other factors described in the Company's regulatory reports, including the Document de référence, as filed with the French "Autorité des marchés financiers" (AMF) on April 1, 2010, could materially affect the Company's financial position or results of operations.

Non-IFRS Financial Information & Information in Constant Currencies

Readers are cautioned that the supplemental non-IFRS (previously referred to as “adjusted 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 annual report for the year ended December 31, 2009 included in the Company’s 2009 Document de référence filed with the AMF on April 1, 2010.

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, stock-based compensation expense, the expenses for the amortization of acquired intangible assets and other income and expense, net (in each case, as explained respectively in the Company’s 2009 Document de référence filed with the AMF on April 1, 2010) and all adjustments to IFRS income data reflect the combined effect of these adjustments, plus with respect to net income and diluted net income per share, the income tax effect of the non-IFRS adjustments and the exclusion of certain one-time tax restructuring effects in 2009. The tables also set forth the most comparable IFRS financial measure and reconciliations of this information with non-IFRS information.

When the Company believes it would be helpful for understanding trends in its business, the Company provides percentage increases or decreases in its revenue (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 herein “in constant currencies”, the results of the “current” period have first been recalculated using the average exchange rates of the comparable period in the preceding year, and then compared with the results of the comparable period in the preceding year.

A Defining Moment for DS

- An important **milestone** in DS history with the IBM PLM integration
- A **well executed** first quarter
- Showing DS **strengths** for the years to come
- Updating **FY objectives** for currency, raising EPS to +18-23%



Agenda

1. Q1 2010 Business Highlights
2. Q1 2010 Financial Highlights
3. Q2 2010 & FY 2010 Objectives
4. Financial Information Appendix

Q1 2010 Business Highlights

Non-IFRS*

Q1 10

Revenue (€m)

312.0

Growth

+0.4%

Growth ex FX

+1%

Operating Margin

22.1%

Operating Margin Growth

+2.7 pts

EPS

0.43

EPS Growth

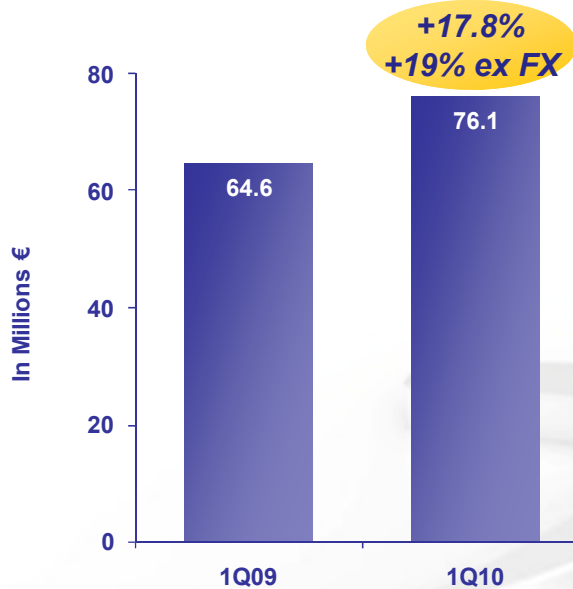
+16%

- Revenue slightly **above high-end of guidance** at guidance currency rates
- New licenses revenue growth: **+19% ex fx**
- Good execution on **IBM PLM closing** with no related disruption in Q1
- With a modest revenue growth delivering **operating margin expansion** and strong **EPS growth**

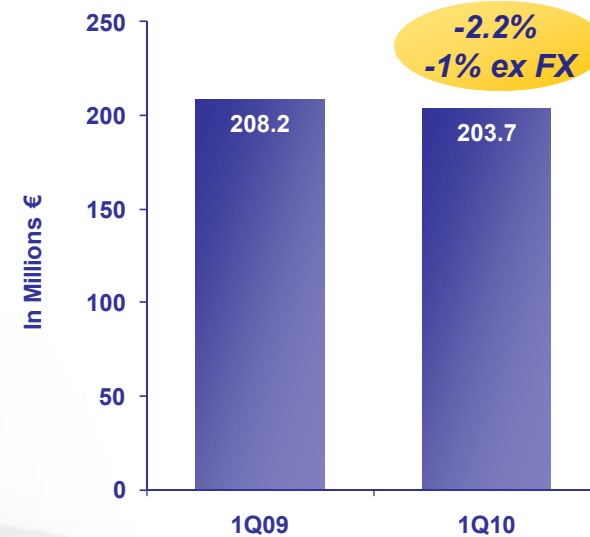
Q1 2010 Business Highlights

Non-IFRS*

New Licenses Revenue



Periodic Licenses, Maintenance and Product Development Revenue



- Good **new licenses** revenue growth across brands & sales channels
- **Progressive economic recovery**
- As expected, slight decrease of **recurring revenue**

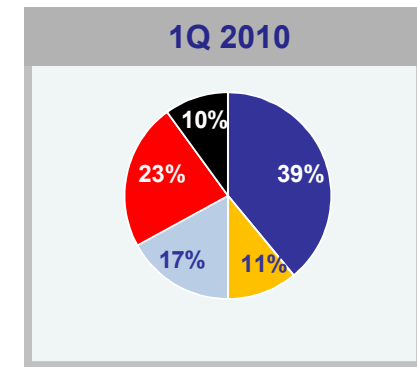
* In accordance to IFRS, New licenses revenue was €64.6 in 1Q09 and €76.1m in 1Q10. In accordance with IFRS, Periodic licenses, Maintenance and Product development revenue was €207.2m in 1Q09 and €203.6m in 1Q10.

Q1 2010 Business Highlights

Non-IFRS*

Software revenue growth ex FX by product line

	Q110
<i>PLM</i>	+4%
<i>CATIA</i>	+4%
<i>ENOVIA</i>	+8%
<i>Mainstream 3D</i>	+1%
Total	+3%



- **Good new licenses revenue growth**
- **ENOVIA showing +29% new licenses revenue growth**

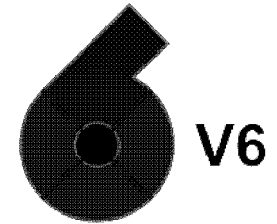
*For a reconciliation to IFRS financial information, please refer to the tables in the Appendix

Q1 2010 Business Highlights

1. **Version 6**
2. **High-Tech industry**
3. **IBM PLM closing**
4. **Sales channels capacities**

Relevance and Differentiation

1- Version 6



● Key features & differentiators

- Online
- Single PLM Platform to experiment, design, simulate and collaborate

● Business value for customers

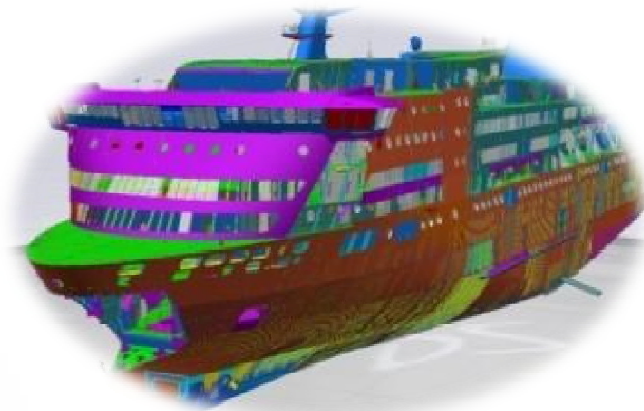
- Enabler for collaboration across disciplines and localizations
- Easy to use
- Lower cost of ownership

“In the coming years, we will develop collaborative engineering. The partnership with Dassault Systèmes will contribute to this strategy. We chose the V6 platform because its **integrated PLM environment** brings our global teams together through **real-time collaboration** and **online-enabled design anywhere**,” said Odile Desforges, EVP engineering and quality, Renault.

Meyer Werft Selecting V6

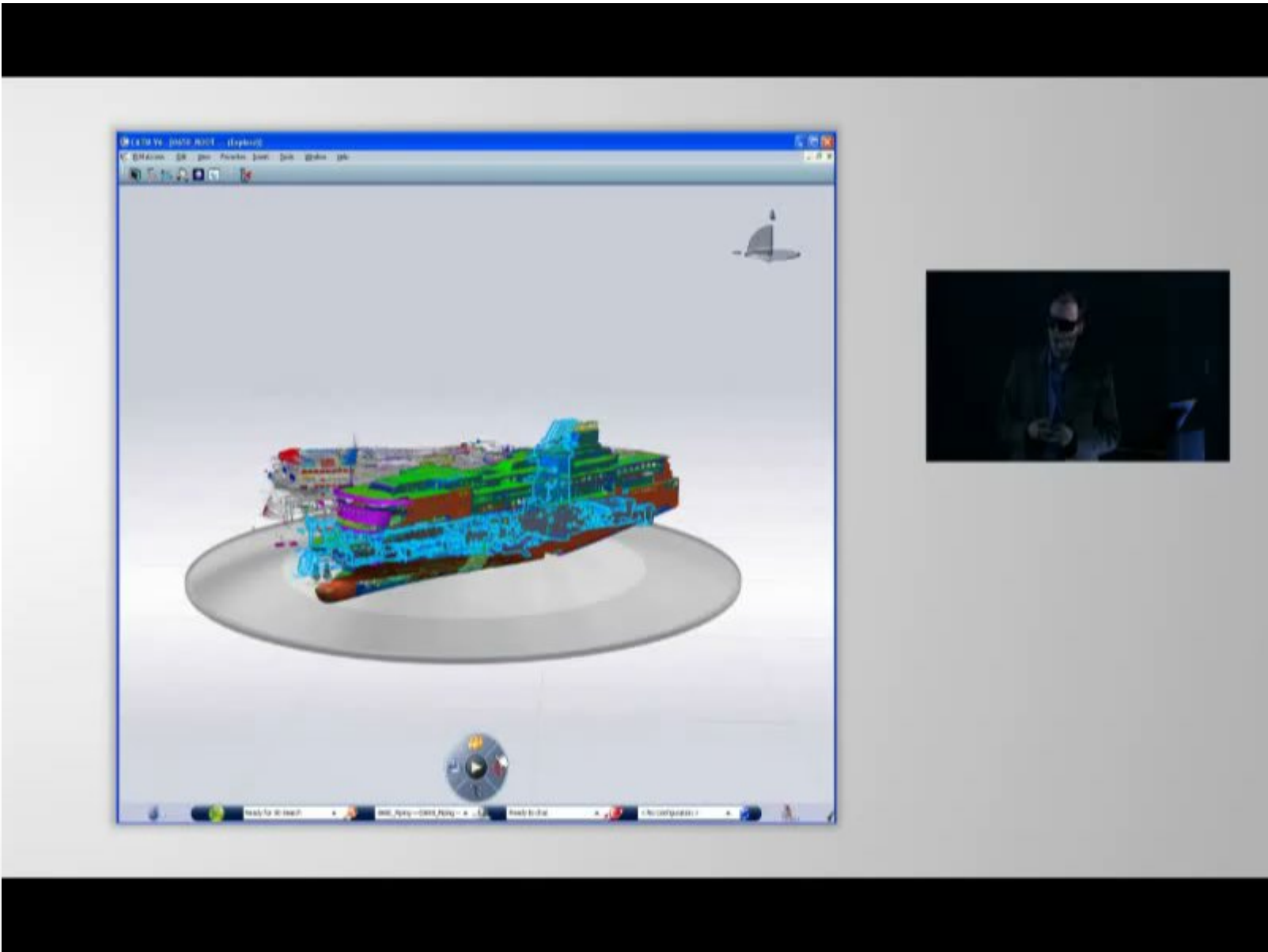
1-Version 6: Relevance & Differentiation

- **Context:**
 - Leading cruise liner shipyard
 - 2,400 employees
 - Headquartered in Germany
- **Achievement:**
 - Selecting **ENOVIA V6**
 - Migrating to **CATIA V6**



“Our decision for the V6 solution was based on several key factors, including its **powerful combination of 3D and PLM infrastructure**, as well as IBM’s and DS’s commitment to partnership and openness” said Lambert Kruse, Managing Director, MEYER WERFT

Meyer Werft Selecting V6



Optimal Energy Selecting V6

1- Version 6: Relevance & Differentiation

- **Context:**

- Privately owned car manufacturer
- Headquartered in South Africa
- Number of employees: ~100

- **Achievement:**

- Selected **CATIA & ENOVIA V6** to build an electric vehicle



“Everything is in the same platform and interconnected. If someone needs **information on the product**, there is **only one place** they have to go and look,” said Anton Greeff, Chief Mechanical Engineer, Optimal Energy.

Dong Fang Boiler Group Selecting V6

1- Version 6: Relevance & Differentiation

- **Context:**

- One of the largest power station boiler suppliers in China
- Subsidiary of Dong Fang Electric Corporation – 2009 revenue: ~\$5bn

- **Achievement:**

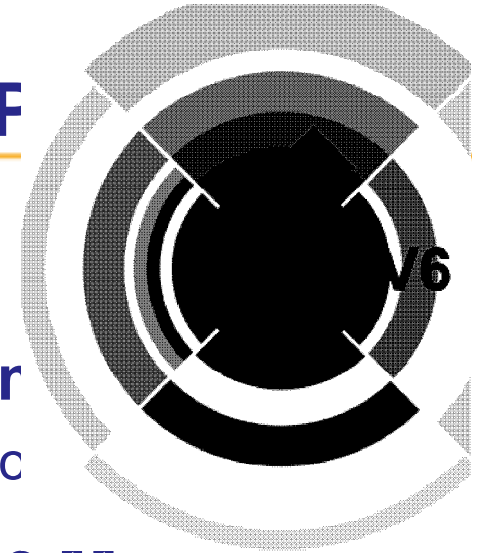
- Selected **ENOVIA V6** to support global collaboration



“With the deployment of ENOVIA V6, our CAD designers will be able to **collaborate online and in real time** with the company’s other key functions, including engineering and manufacturing, as well as our key suppliers,” said Hu Xiukui, Deputy General Manager, Dong Fang Boiler Group.

A Production-Proven Collaborative F

1- Version 6



- Building a **track-record** of new **V6** customers
 - 320 new V6 customers since V6 first release (Nc
- Partnering with **leading companies** in the 11 industries served
 - Major deals in **high tech** & **energy** in Q1 2010: ~20% new licenses revenue for large accounts, ~60% of V6
- Bringing solutions to manage key **business processes** across industries
 - New product development and introduction, product portfolio management, regulatory compliance, supplier relationship management ...

s.Oliver Selecting V6

1- Version 6: Building a Track-record of New V6 Customers

s.Oliver

● Context

- Leading fashion & retail company headquartered in Germany
- Revenue 2008: € 816 million

● Achievements

- Selected **ENOVIA V6 Apparel Accelerators** (Design & Development and Sourcing & Production) to improve quality and reduce costs



Charles Vögele Group Selecting V6

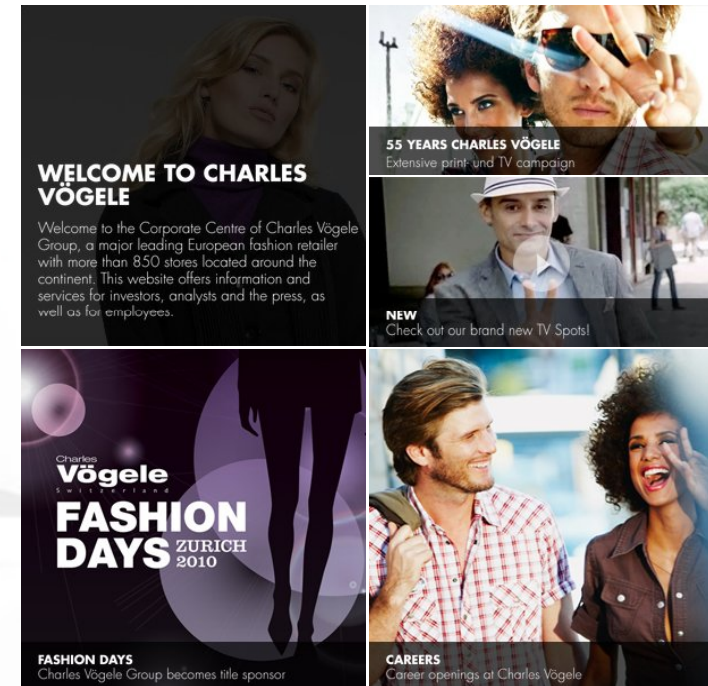
1- Version 6: Building a Track-record of New V6 Customers

● Context:

- One of Europe's leading vertical fashion companies
- Headquartered in Switzerland
- 2009 sales: CHF 1.5 billion
- Number of employees: ~7,800

● Achievement:

- Selected **ENOVIA V6**
 - Apparel Accelerators for **Design & Development** and **Sourcing & Production**



www.charles-voegele.com

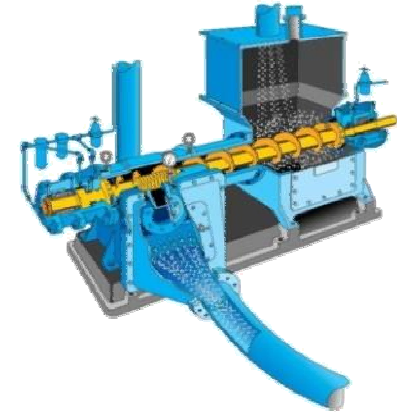
FLSmidth Selecting V6

1- Version 6: Building a Track-record of New V6 Customers



● Context:

- Leading provider of complete plants and services to the cement and minerals industries
- Headquartered in Denmark
- 2009 turnover: ~€3bn
- Number of employees: ~10,000
- SolidWorks customer



● Achievement:

- Adding **ENOVIA V6** as **PLM backbone** to design anywhere / manufacture anywhere
- Targeting ~3,000 users with ENOVIA V6



Increasing DS Penetration in High Tech

2- High Tech Industry

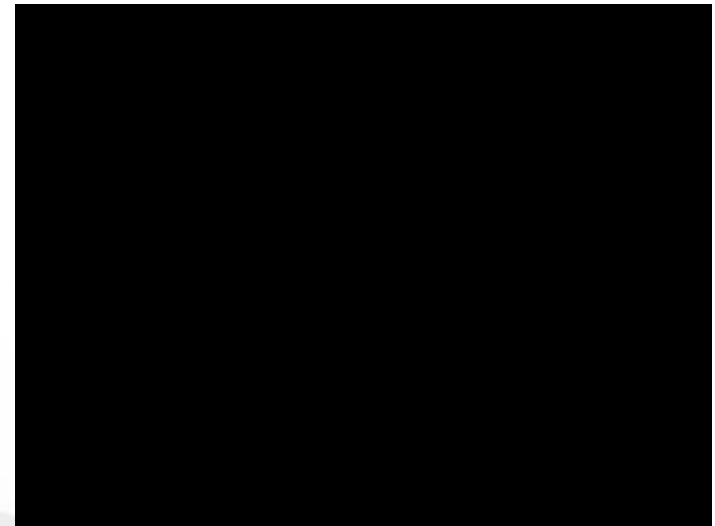
- An **important market**
 - 2nd largest PLM Market after Auto (~20% PLM market)
 - Pervasive in all industries
- DS already **well present in High-Tech**
 - DS largest new industry with ~9% of 2009 DS end-user revenue
 - De facto standard for **semiconductor companies** with ENOVIA Synchronicity
 - More than **25 leading global consumer electronic manufacturers** using DS solutions
- **High tech customers facing tough challenges**
 - Intense competition
 - Pace of technologies → players need to form alliances
 - Complex value chain



Increasing DS Penetration in High-Tech

2- High Tech Industry

- **Challenges driving customers processes transformation**
 - Portfolio management
 - Collaborative systems engineering
 - Compliance and sustainable development
 - Component supplier management
- **Bringing industry-solution approach with largest portfolio of PLM industry**
 - **ENOVIA** based solutions for collaboration
 - **CATIA/CATIA Systems** for product design and system engineering
 - **DELMIA** for digital manufacturing
 - **SIMULIA** for realistic simulation
 - **3DVIA** for online consumer experience



Successfully Closing IBM PLM Acquisition

3- IBM PLM Closing

- **Successfully completing IBM PLM acquisition**
 - Closing transaction in 27 countries exactly on time
 - Very high level of former IBM PLM employees satisfaction
 - Strong execution and focus on customers → no disruption in Q1
- **The right acquisition at the right time**
 - Integrated sales force to sell integrated V6
- **Serving customers better**
 - Direct access to DS for software sales while benefiting from partnership with IBM for services, financing, middleware
- **Leveraging partnership with IBM thru signature of a Global Alliance**
 - Model enabling IBM to bring their deployment expertise in a large set of industries

Maintaining Sales Capacities

4- Sales Channels Capacity

- **Increased number of resellers** in indirect channels (Value Selling & Professional channels)
 - Number of resellers: ~+7% compared to December 2008
- **Combined DS & IBM sales force capacity kept unchanged**
 - Sales force maintained within IBM PLM and DS now combined, which enables:
 - large accounts coverage increase
 - broadening to the full DS PLM portfolio for accounts managers

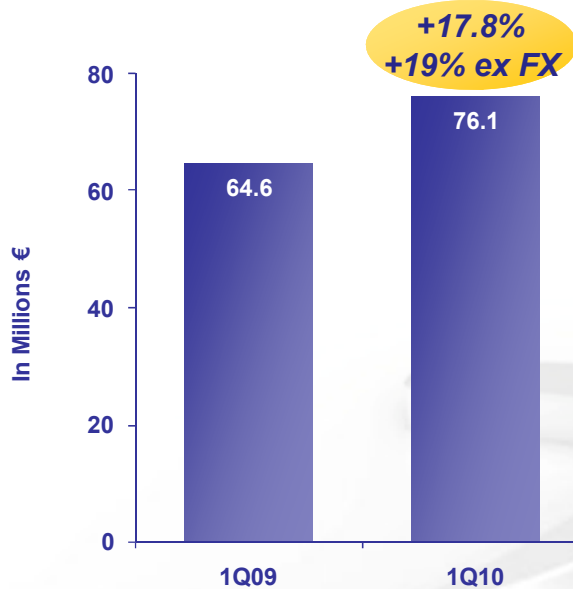
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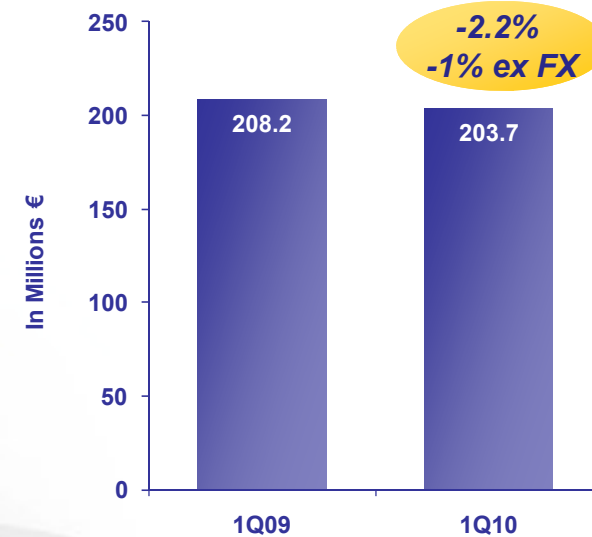
Q1 2010 Business Highlights

Non-IFRS*

New Licenses Revenue



Periodic Licenses, Maintenance and Product Development Revenue

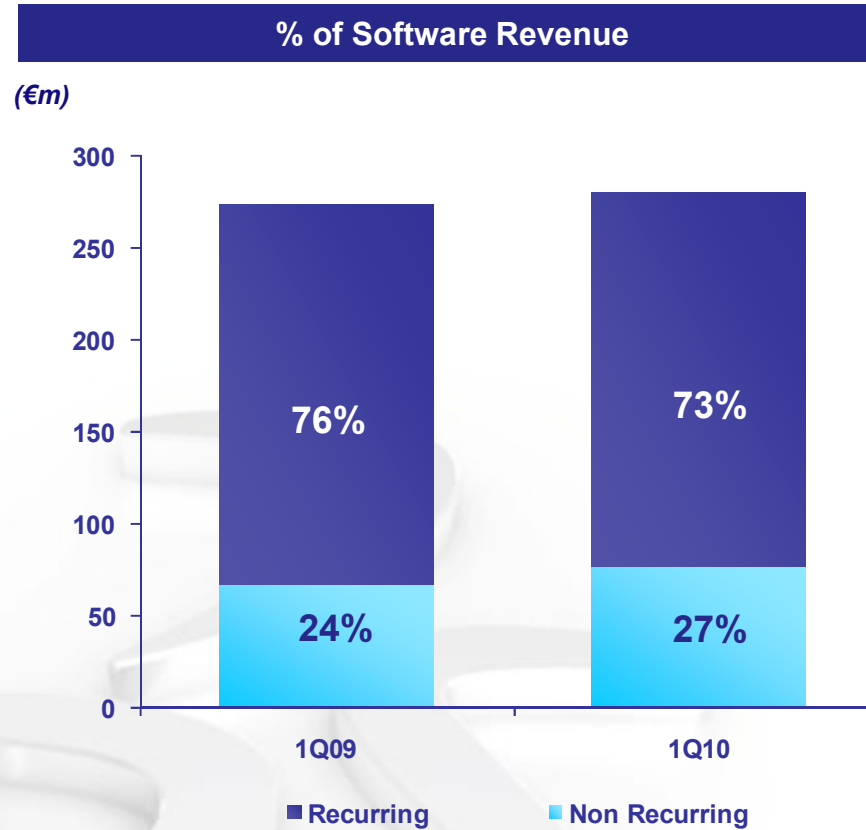


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Software Recurring Revenue Evolution

Non-IFRS*



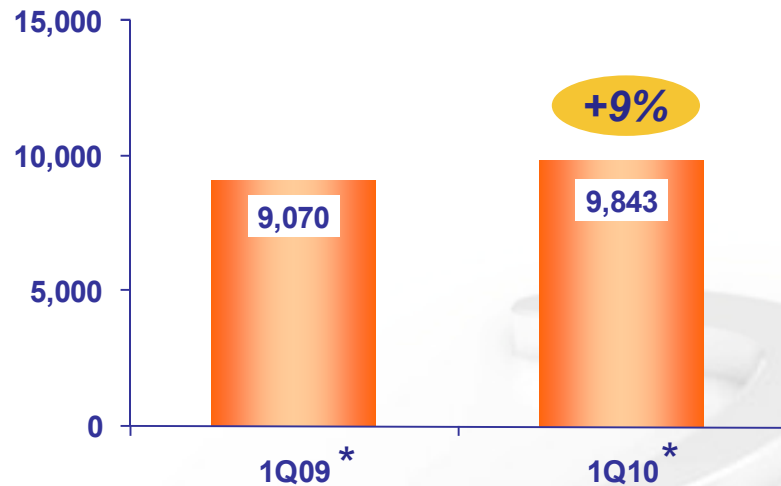
Recurring software revenue non-IFRS ex FX growth of -1% in 1Q10

NB: Recurring software revenue excludes product development

* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

Price & Units Evolution – SolidWorks

Number of Units



ASP (€)



Note: assuming a 45% average VAR margin

* SolidWorks seats excluding add-on products

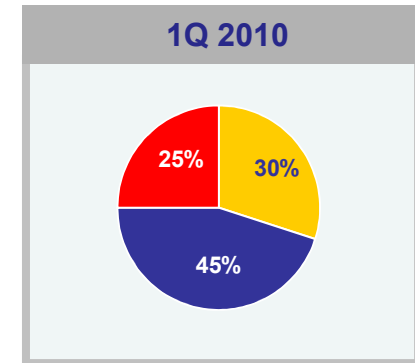
- **Double-digit seats growth** in North America, Asia Pacific and Japan
- Good customer interest in **broad solution set** (PDM Enterprise, simulation, product documentation in combination with SolidWorks)
- Maintaining **price point** reflecting business value

Q1 2010 Business Highlights

Non-IFRS*

Revenue growth ex FX by region

	Q110
Americas	-0%
Europe	+2%
Asia	+1%
Total	+1%



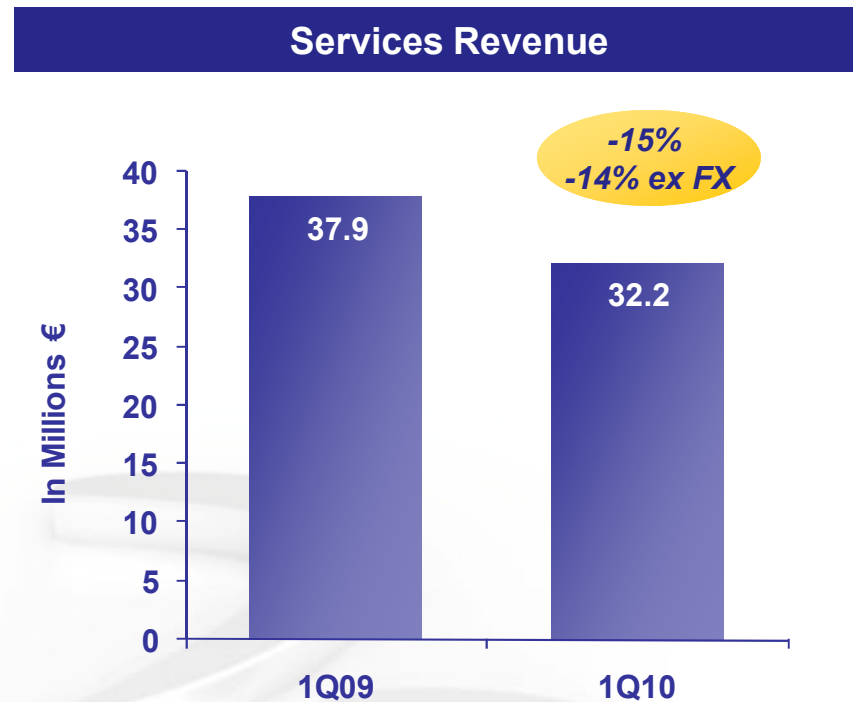
Americas Europe Asia

- **Double-digit new licenses revenue growth in all regions**

*For a reconciliation to IFRS financial information, please refer to the tables in the Appendix
•Note: Ex FX data for Europe assumes that all the revenue in Europe is recognized in € and in GBP

Service Revenue and Margin Evolution

Non-IFRS*



Service Gross Margin	1Q09	1Q10
	0.3%	-5.9%

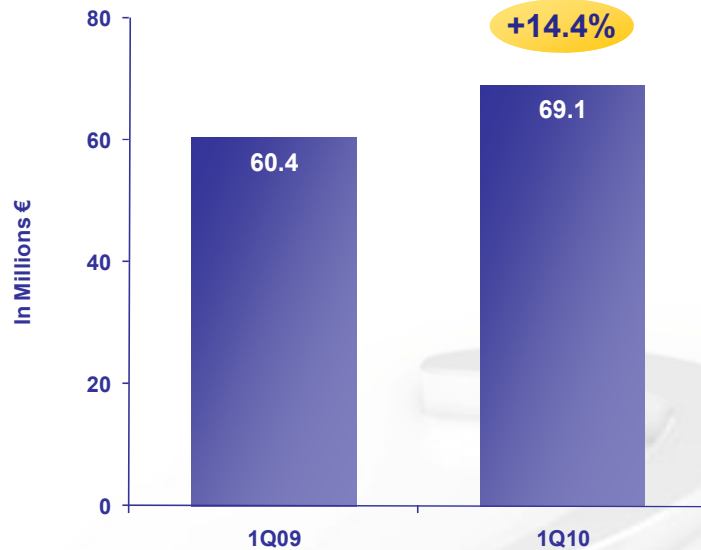
- As expected Q1 10 services revenue impacted by **lower level of new software business throughout 2009**

* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

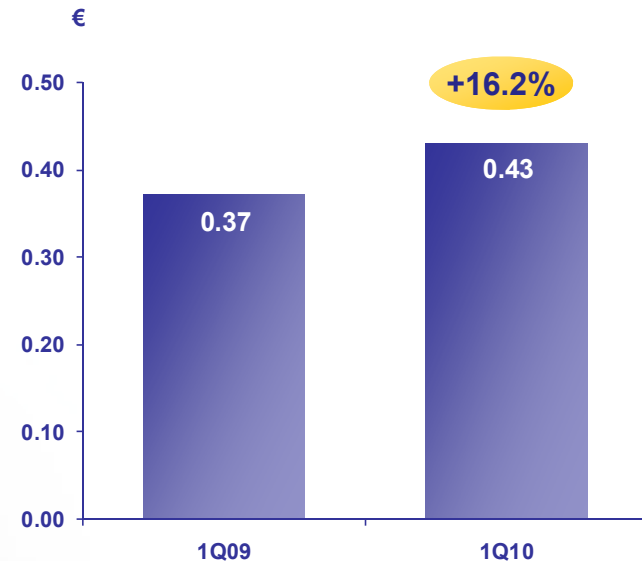
Operating Income & EPS Evolution

Non-IFRS*

Operating Income



EPS Growth



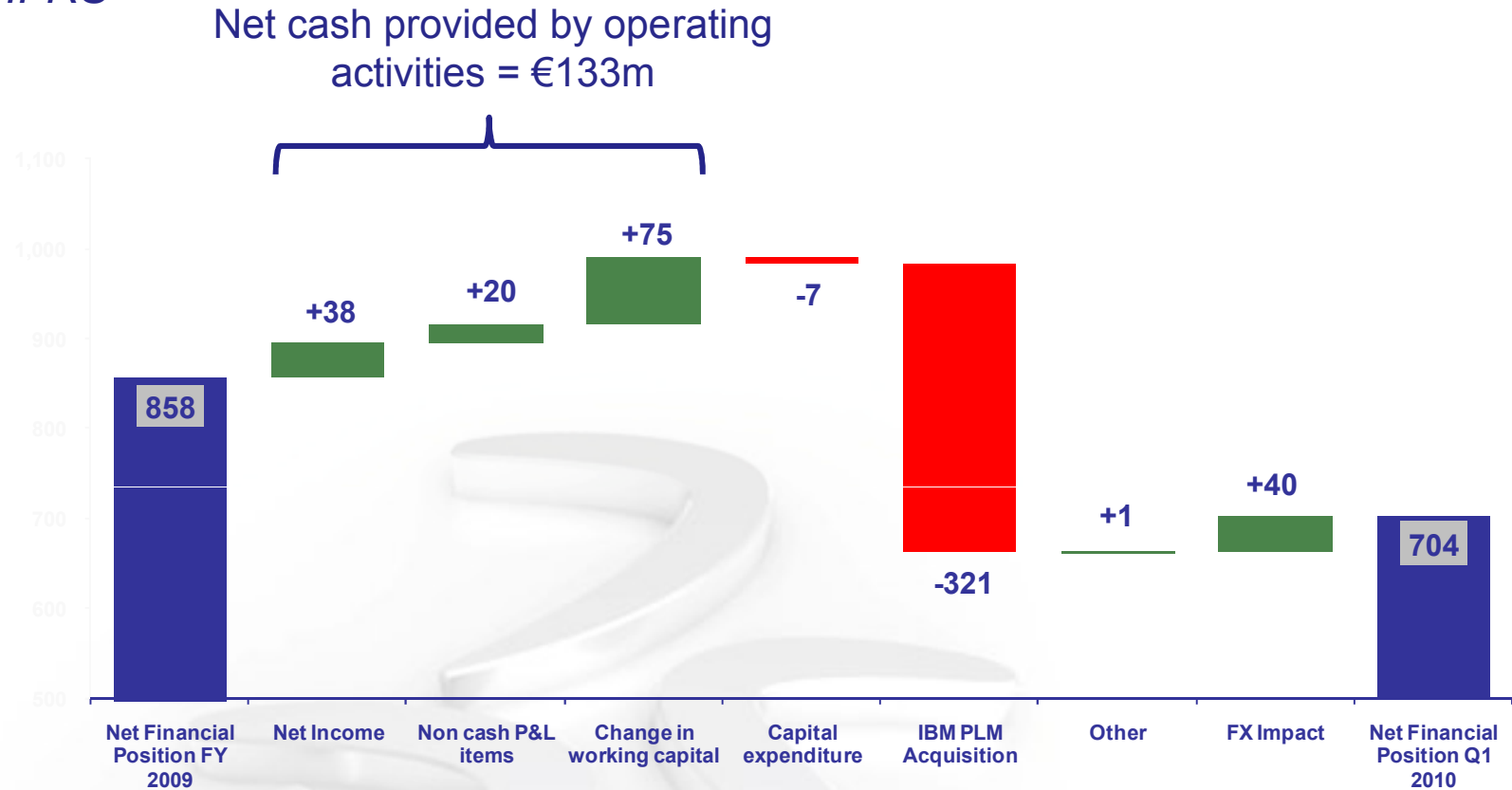
Operating Margin	19.4%	22.1%

- **Operating margin** and **EPS** above objectives
- Operating margin expansion driven by continued attention to **cost control**
- EPS growth driven by **margin expansion, positive financial results** and positive impact of **currencies**

* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

Change in Net Financial Position

IFRS



Note: Net financial position is defined as Cash and Cash Equivalents + Short Term Investments – Total Debt

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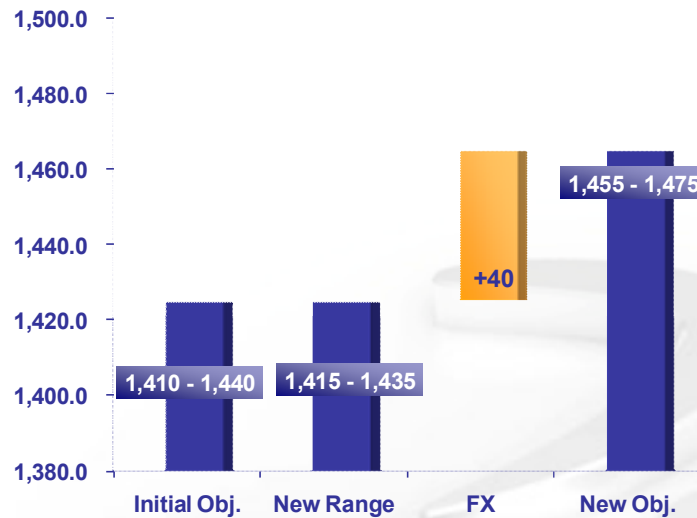
Dedicated to Prepare Multi-Year Growth Pattern

- **Solid Drivers for the Years to Come**

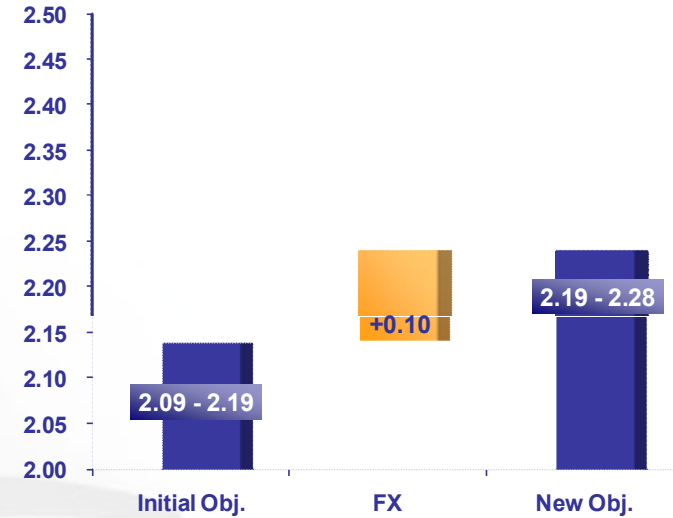
- **Version 6** to become an important driver of DS growth
- Increased adoption of PLM 2.0 across **new industries**
- On-going **2D to 3D migration**
- **Solid sales channels** well-positioned on their respective markets
- Financial model with **inherent leverage** to drive higher returns
- Strong **balance sheet**

Guidance evolution – February to April

Revenue (€m)



EPS (€)



Mid-range 1,425 1,425 1,465

Mid-range 2.14 2.24

ex FX Growth +15-17% +15-17% +15-17%

Growth +12-18% +18-23%

2010 DS Objectives including IBM PLM Acquisition (non-IFRS)

€m	2Q10	2010
Revenue	360-370	1,455-1,475
Growth	+16-19%	+16-18%
Growth ex FX	+15-18%	+15-17%
Operating Margin	~23%	~ 26%
EPS (€)	0.46-0.50	2.19-2.28
EPS Growth	+24-35%	+18-23%
€/US\$ Rate	1.40	1.40
€/JPY Rate (before hedging)	125	130

•See next chart for accounting elements not included in the non-IFRS objectives

Accounting elements not included in the non-IFRS 2010 Objectives

- *FY 2010 estimated **deferred revenue** write-down of about €40m**
- *FY 2010 estimated **share-based compensation** expenses: about €15m. As existing plans only are taken into account, there is no impact from IBM PLM.*
- *Quarterly estimated amount of **amortization of acquired intangibles**: about €18m (€62m* for the FY)*
- ***Other operating income and expense, net***
 - ✎ *IBM PLM acquisition costs estimated at €12m*
- *These estimates do not include the impact of new stock options or share grants, nor new acquisitions or restructuring which could take place after April 29th, 2010.*

* *The impacts from the IBM PLM acquisition are estimated at this point, as final accounting will be done with our Q2 results*

Closing IBM PLM Acquisition

- Acquisition price & financing

- Asset valuation: **\$600m**
- Deferred revenue: \$140m
- Paid **\$460m** in Q1
- Retirement asset liabilities to be paid by IBM to DS in Q3
- Contracting a 5-year loan in JPY for ~\$160m, hedging JPY risk (all inclusive rate: ~1%)

- Historical data

- IBM share of named-account software revenue by quarter (in millions of Euros)*:

Q2 2009 Q3 2009 Q4 2009 Q1 2010

€ 53	€ 45	€ 53	€ 50
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* Calculation based on $\frac{\text{DS royalties}}{52\%} * 48\%$

Agenda

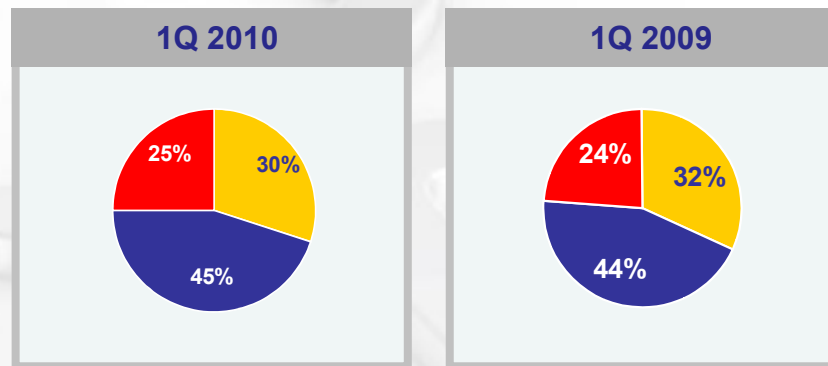
1. 2009 Business Highlights & Strategic Achievements
2. 2009 Financial Highlights
3. 2010 Objectives
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Revenue by Region

IFRS

<i>in €m</i>	1Q10	1Q09	Growth	Growth ex FX
Americas	91.7	97.4	-6%	-0%
Europe	140.9	137.6	+2%	+2%
Asia	79.3	74.7	+6%	+2%
Total Revenue	311.9	309.7	+1%	+1%

Note: Ex FX data for Europe assumes that all the revenue in Europe is recognized in € and £



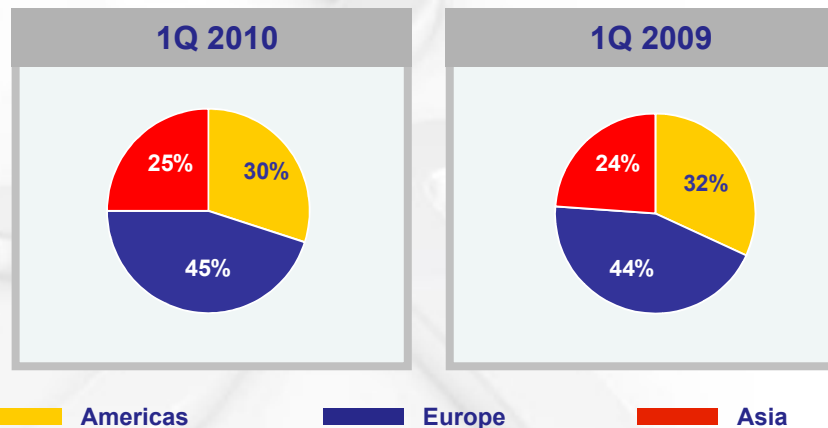
■ Americas
 ■ Europe
 ■ Asia

Revenue by Region

Non-IFRS*

<i>in €m</i>	1Q10	1Q09	Growth	Growth ex FX
Americas	91.8	97.8	-6%	-0%
Europe	140.9	137.7	+2%	+2%
Asia	79.3	75.2	+5%	+1%
Total Revenue	312.0	310.7	+0%	+1%

Note: Ex FX data for Europe assumes that all the revenue in Europe is recognized in € and £



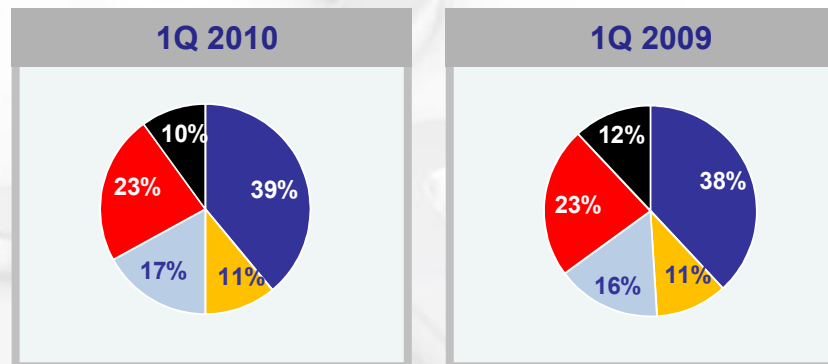
* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

Revenue by Product Line

IFRS

in €m

	1Q10	1Q09	Growth	Growth ex FX
PLM SW	208.8	200.7	+4%	+4%
CATIA SW	120.7	116.5	+4%	+4%
ENOVIA SW	36.2	34.1	+6%	+8%
Other PLM SW	51.9	50.1	+4%	+4%
Mainstream 3D SW	70.9	71.1	-0%	+1%
Services	32.2	37.9	-15%	-14%
Total Revenue	311.9	309.7	+1%	+1%



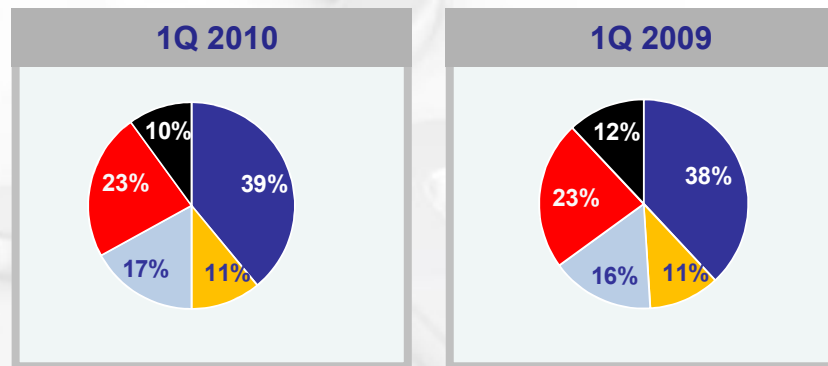
■ CATIA SW
 ■ ENOVIA SW
 ■ Other PLM SW
 ■ Mainstream 3D SW
 ■ Services

Revenue by Product Line

Non-IFRS*

in €m

	1Q10	1Q09	Growth	Growth ex FX
PLM SW	208.9	201.7	+4%	+4%
CATIA SW	120.7	116.5	+4%	+4%
ENOVIA SW	36.2	34.1	+6%	+8%
Other PLM SW	52.0	51.1	+2%	+2%
Mainstream 3D SW	70.9	71.1	-0%	+1%
Services	32.2	37.9	-15%	-14%
Total Revenue	312.0	310.7	+0%	+1%



■ CATIA SW
 ■ ENOVIA SW
 ■ Other PLM SW
 ■ Mainstream 3D SW
 ■ Services

* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

IFRS P&L

(In millions of €, except per share data)

	Three months ended March		
	2010	2009	y/y
Software revenue	279.7	271.8	+2.9%
New licenses	76.1	64.6	+17.8%
Product development	0.0	1.2	N/S
Periodic licenses and Maintenance	203.6	206.0	(1.2%)
Service and other revenue	32.2	37.9	(15.0%)
Total revenue	311.9	309.7	+0.7%
Cost of Software revenue	(16.4)	(14.0)	+17.1%
Cost of Service and other revenue	(34.3)	(37.9)	(9.5%)
Research and development	(77.4)	(82.1)	(5.7%)
Marketing and sales	(92.1)	(93.9)	(1.9%)
General and administrative	(27.5)	(28.8)	(4.5%)
Amortization of acquired intangibles	(9.7)	(10.7)	(9.3%)
Other operating income and expense, net	(5.0)	(2.1)	+138.1%
Total operating expenses	(262.4)	(269.5)	(2.6%)
Operating income	49.5	40.2	+23.1%
Financial revenue and other, net	5.7	0.3	N/S
Income before income taxes	55.2	40.5	+36.3%
Income tax expense	(17.4)	(11.7)	+48.7%
Minority Interest	0.0	0.0	+0.0%
Net Income (to equity holders of the parent)	37.8	28.8	+31.3%
Diluted net income per share (EPS)	0.32	0.24	+33.3%
Average shares (Million)	119.8	118.3	

IFRS P&L (%)

	Three months ended March	
	2010	2009
	<u>% of revenue</u>	
Software revenue	89.7%	87.8%
New licenses	24.4%	20.9%
Product development	0.0%	0.4%
Periodic licenses and Maintenance	65.3%	66.5%
Service and other revenue	10.3%	12.2%
Total revenue	100.0%	100.0%
Cost of Software revenue	5.3%	4.5%
Cost of Service and other revenue	11.0%	12.2%
Research and development	24.8%	26.5%
Marketing and sales	29.5%	30.3%
General and administrative	8.8%	9.3%
Amortization of acquired intangibles	3.1%	3.5%
Other operating income and expense, net	1.6%	0.7%
Total operating expenses	84.1%	87.0%
Operating income	15.9%	13.0%
Financial revenue and other, net	1.8%	0.1%
Income before income taxes	17.7%	13.1%
Income tax rate (% of IBIT)	31.5%	28.9%
Minority Interest	0.0%	0.0%
Net Income (to equity holders of the parent)	<u>12.1%</u>	<u>9.3%</u>

Non-IFRS P&L

(In millions of €, except per share data)

	Three months ended March		
	2010	2009	y/y
Software revenue	279.8	272.8	+2.6%
New licenses	76.1	64.6	+17.8%
Product development	0.0	1.2	N/S
Periodic licenses and Maintenance	203.7	207.0	(1.6%)
Service and other revenue	32.2	37.9	(15.0%)
Total revenue	312.0	310.7	+0.4%
Cost of Software revenue	(16.4)	(14.0)	+17.1%
Cost of Service and other revenue	(34.1)	(37.8)	(9.8%)
Research and development	(74.6)	(78.4)	(4.8%)
Marketing and sales	(91.2)	(92.7)	(1.6%)
General and administrative	(26.6)	(27.4)	(2.9%)
Total operating expenses	(242.9)	(250.3)	(3.0%)
Operating income	69.1	60.4	+14.4%
Financial revenue and other, net	5.7	0.3	n/a
Income before income taxes	74.8	60.7	+23.2%
Income tax expense	(23.5)	(17.3)	+35.8%
Minority Interest	0.0	0.0	+0.0%
Net Income (to equity holders of the parent)	51.3	43.4	+18.2%
Diluted net income per share (EPS)	0.43	0.37	+16.2%
Average shares (Million)	119.8	118.3	

Non-IFRS P&L (%)

	Three months ended March	
	2010	2009
	<u>% of revenue</u>	
Software revenue	89.7%	87.8%
New licenses	24.4%	20.8%
Product development	0.0%	0.4%
Periodic licenses and Maintenance	65.3%	66.6%
Service and other revenue	10.3%	12.2%
Total revenue	100.0%	100.0%
Cost of Software revenue	5.3%	4.5%
Cost of Service and other revenue	10.9%	12.2%
Research and development	23.9%	25.2%
Marketing and sales	29.2%	29.8%
General and administrative	8.5%	8.8%
Total operating expenses	77.9%	80.6%
Operating income	22.1%	19.4%
Financial revenue and other, net	1.8%	0.1%
Income before income taxes	24.0%	19.5%
Income tax rate (% of IBIT)	31.4%	28.5%
Minority Interest	0.0%	0.0%
Net Income (to equity holders of the parent)	<u>16.4%</u>	<u>14.0%</u>

1Q10 IFRS – non-IFRS Reconciliation

Revenue and Gross margin

(€ million, except % and per share data)	Three months ended March 31,						Increase (Decrease)	
	2010 IFRS	Adjustment (1)	2010 non-IFRS	2009 IFRS	Adjustment (1)	2009 non-IFRS	IFRS	Non-IFRS (2)
TOTAL REVENUE	311.9	0.1	312.0	309.7	1.0	310.7	+0.7%	+0.4%
Total Revenue breakdown by activity								
Software revenue	279.7	0.1	279.8	271.8	1.0	272.8	+2.9%	+2.6%
<i>New Licenses revenue</i>	76.1			64.6			+17.8%	
<i>Product Development</i>	0.0			1.2				
<i>Periodic and Maintenance revenue</i>	203.6	0.1	203.7	206.0	1.0	207.0	(1.2%)	(1.6%)
<i>Recurring portion of Software revenue</i>	73%		73%	76%		76%		
Service and other revenue	32.2			37.9			(15.0%)	
Total Revenue breakdown by segment								
PLM SW revenue	208.8	0.1	208.9	200.7	1.0	201.7	+4.0%	+3.6%
<i>of which CATIA SW revenue</i>	120.7			116.5			+3.6%	
<i>of which ENOVIA SW revenue</i>	36.2			34.1			+6.2%	
Mainstream 3D SW revenue	70.9			71.1			(0.3%)	
Service and other revenue	32.2			37.9			(15.0%)	
Total Revenue breakdown by geography								
Americas revenue	91.7	0.1	91.8	97.4	0.4	97.8	(5.9%)	(6.1%)
Europe revenue	140.9			137.6	0.1	137.7	+2.4%	+2.3%
Asia revenue	79.3			74.7	0.5	75.2	+6.2%	+5.5%
Gross Margin								
Cost of Software revenue	(16.4)			(14.0)			+17.1%	
Software Gross margin*	94.1%			94.8%				
Cost of Service and other revenue	(34.3)	0.2	(34.1)	(37.9)	0.1	(37.8)	(9.5%)	(9.8%)
Service Gross margin	(6.5%)		(5.9%)	0.0%		0.3%		

- (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 expenses data reflect the exclusion of the amortization of acquired intangibles, share based compensation expense, and other operating income and expense, and (iii) all adjustments to IFRS income data reflect the combined effect of these adjustments, plus with respect to net income and diluted net income per share, the income tax effect of the non IFRS adjustments .
- (2) The non-IFRS percentage increase (decrease) compares non-IFRS measures for the two different periods. In the event there is a 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.

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

1Q10 IFRS – non-IFRS Reconciliation

Expenses and Earnings

(€ million, except % and per share data)	Three months ended March 31,						Increase (Decrease)	
	2010 IFRS	Adjustment (1)	2010 non-IFRS	2009 IFRS	Adjustment (1)	2009 non-IFRS	IFRS	Non-IFRS (2)
Total Operating Expenses	(262.4)	19.5	(242.9)	(269.5)	19.2	(250.3)	(2.6%)	(3.0%)
Stock-based compensation expense	(4.8)	4.8	-	(6.4)	6.4	-	-	-
Amortization of acquired intangibles	(9.7)	9.7	-	(10.7)	10.7	-	-	-
Other operating income and expense, net	(5.0)	5.0	-	(2.1)	2.1	-	-	-
Operating Income	49.5	19.6	69.1	40.2	20.2	60.4	+23.1%	+14.4%
Operating Margin	15.9%		22.1%	13.0%		19.4%		
Income before income taxes	55.2	19.6	74.8	40.5	20.2	60.7	+36.3%	+23.2%
Income tax expense	(17.4)	(6.1)	(23.5)	(11.7)	(5.6)	(17.3)	-	-
Minority Interest	0.0			0.0			-	-
Net Income	37.8	13.5	51.3	28.8	14.6	43.4	+31.3%	+18.2%
Diluted net income per share, in € (3)	0.32	0.11	0.43	0.24	0.13	0.37	+33.3%	+16.2%

(€ million)	Three months ended March 31,					
	2010 IFRS	Adjust.	2010 non-IFRS	2009 IFRS	Adjust.	2009 non-IFRS
Cost of Service and other revenue	(34.3)	0.2	(34.1)	(37.9)	0.1	(37.8)
Research and development	(77.4)	2.8	(74.6)	(82.1)	3.7	(78.4)
Marketing and sales	(92.1)	0.9	(91.2)	(93.9)	1.2	(92.7)
General and administrative	(27.5)	0.9	(26.6)	(28.8)	1.4	(27.4)
Total stock-based compensation expense		4.8			6.4	

- (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 expenses data reflect the exclusion of the amortization of acquired intangibles, share based compensation expense, and other operating income and expense, and (iii) all adjustments to IFRS income data reflect the combined effect of these adjustments, plus with respect to net income and diluted net income per share, the income tax effect of the non IFRS adjustments .
- (2) The non-IFRS percentage increase (decrease) compares non-IFRS measures for the two different periods. In the event there is a 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 of 119.8 million diluted shares for Q1 2010 and 118.3 million diluted shares for Q1 2009.

Exchange Rate Evolution

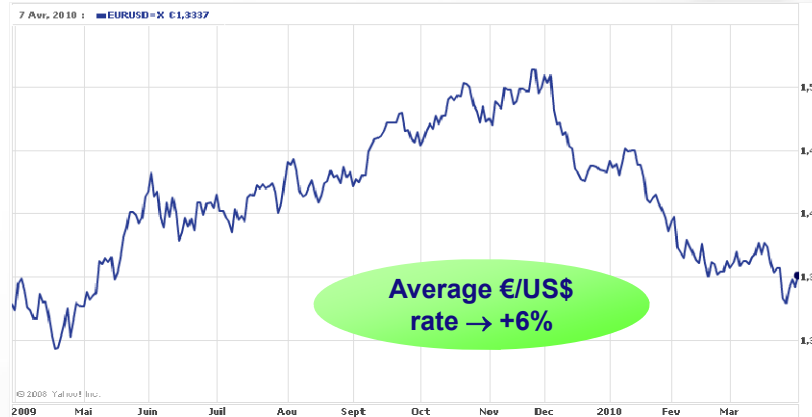
Estimated Breakdown of P&L by currency for 2010

	<u>US\$</u>	<u>JPY</u>
Revenue	34.0%	15.0%
<i>(As a % of Revenue)</i>		
<i>Of which was hedged</i>	-	5%
Operating Expenses	40.0%	6.0%
<i>(As a % of Expenses)</i>		

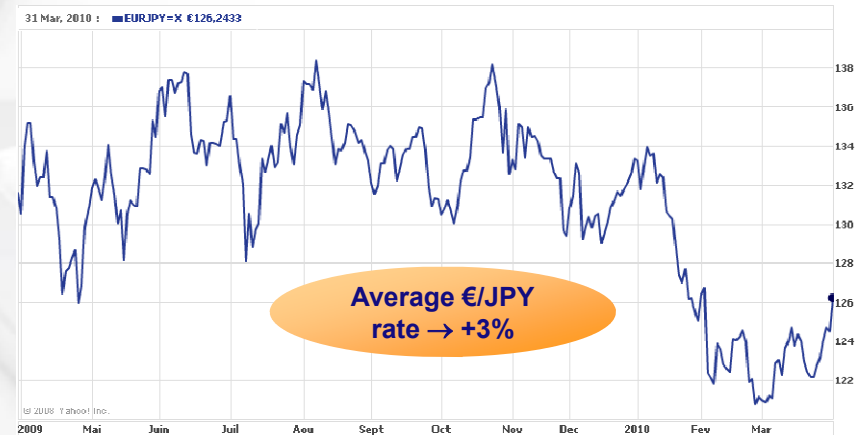
Average Exchange rates

	<u>1Q10</u>	<u>1Q09</u>	<u>Var.</u>
€/US\$	1.38	1.30	+6%
€/JPY	125.5	122.0	+3%

€/US\$ – 1Q10/1Q09 Variance



€/JPY – 1Q10/1Q09 Variance



Comparing Q1 2010 with Objectives

Non-IFRS*

€m	Revenue	Operating Expenses	Operating Income	Operating Margin
Non-IFRS Objectives - mid range	290.0	230.5	59.5	20.5%
Growth (%)	(7%)	(8%)	(2%)	+1.1pt
Impact of Actual Currency Rates				
US\$ impact (1.45 → 1.38)	+5.0	+4.6	+0.4	
JPY impact (140.0 → 125.5)	+5.0	+1.6	+3.4	
Other (incl. GBP, KRW and hedging)	+0.0	+0.6	-0.6	
Difference of Results over objectives at actual rates	+12.0	+5.6	+6.4	
Non-IFRS Results	312.0	242.9	69.1	22.1%
Growth (%)	+0%	(3%)	+14%	+2.7pts

* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

Estimated FX Impact on 1Q10 Operating Results

Non-IFRS*

€m	Revenue	Operating Expenses	Operating Income	Operating Margin
Non-IFRS	312.0	242.9	69.1	22.1%
Growth (%)	+0%	(3%)	+14%	+2.7pts
US\$ impact (1.30 → 1.38)	+6.5	+6.0	+0.5	
JPY impact (122.0 → 125.5)	-2.2	+0.4	-2.6	
Other (incl. GBP, KRW and hedging)	<u>-2.1</u>	<u>-0.5</u>	<u>-1.6</u>	
Total FX impact adjustment	+2.2	+5.9	-3.7	
Non-IFRS ex FX	314.2	248.8	65.4	20.8%
Growth (%)	+1%	(1%)	+8%	+1.4pt

* For a reconciliation to IFRS financial information, please refer to the tables in the Appendix.

Financial Revenue and Other

IFRS

€m	<u>1Q10</u>	<u>1Q09</u>	Growth
Interest Income	1.7	3.7	(54%)
Interest Expense	(1.9)	(2.0)	(5%)
Financial net Income	(0.2)	1.7	(112%)
Exchange Gain / Loss	5.2	(1.7)	(406%)
Other Income / Loss	0.7	0.3	133%
Total	5.7	0.3	1800%

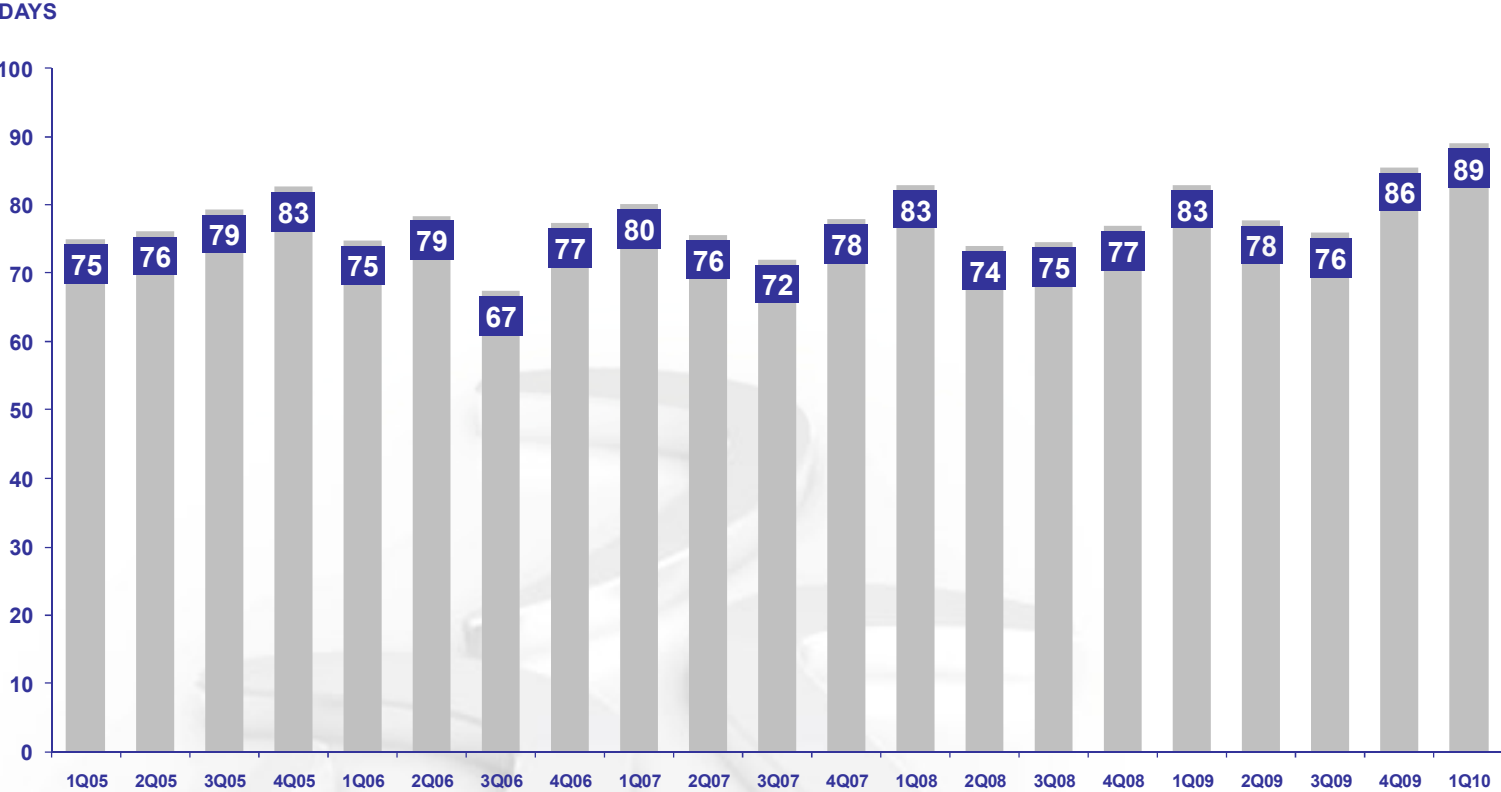
Detailed Balance Sheet

IFRS

(in millions of €)	End of		Variation
	Mar-10	Dec-09	Mar-10 / Dec-09
Cash and cash equivalents	802.9	939.1	-136.2
Short-term investments	101.7	118.9	-17.2
Accounts receivable, net	308.6	322.3	-13.7
Other current assets	<u>119.1</u>	<u>121.4</u>	<u>-2.3</u>
Total current assets	1,332.3	1,501.7	-169.4
Property and equipment, net	62.4	59.6	+2.8
Goodwill and Intangible assets, net	1,090.2	660.8	+429.4
Other non current assets	86.4	77.6	+8.8
Total Assets	2,571.3	2,299.7	+271.6
Accounts payable	78.7	67.7	+11.0
Unearned revenue	372.3	243.7	+128.6
Other current liabilities	<u>192.9</u>	<u>174.3</u>	<u>+18.6</u>
Total current liabilities	643.9	485.7	+158.2
Long-term debt	200.2	200.1	+0.1
Other non current obligations	<u>169.6</u>	<u>165.1</u>	<u>+4.5</u>
Total long-term liabilities	369.8	365.2	+4.6
Minority Interests	0.9	1.1	-0.2
Parent Shareholders' equity	1,556.7	1,447.7	+109.0
Total Liabilities and Shareholders' Equity	2,571.3	2,299.7	+271.6

Trade Accounts Receivable / DSO

IFRS



Note: DSO increased +7% Y/Y.

Consolidated Statement of Cash Flows

IFRS

(in millions of €)	1Q10	1Q09	Variation
Net income attributable to equity holders of the parent	37.8	28.8	+9.0
Minority interest	-	-	+0.0
Net income	37.8	28.8	+9.0
Depreciation and amortization of property & equipment	5.3	5.6	-0.3
Amortization of intangible assets	10.7	12.1	-1.4
Other non cash P&L items	4.4	(1.3)	+5.7
Changes in working capital	75.1	51.1	+24.0
Net Cash Provided by (Used in) Operating Activities (I)	133.3	96.3	+37.0
Acquisition of assets and equity, net of cash acquired	(329.8)	(6.4)	-323.4
Sale of fixed assets	0.2	0.2	+0.0
Sale (Purchase) of short-term investments, net	19.2	(0.6)	+19.8
Loans and others	-	(0.2)	+0.2
Net Cash Provided by (Used in) Investing Activities (II)	(310.4)	(7.0)	-303.4
Repayment of short term and long term debt	-	-	+0.0
Share repurchase	(1.5)	-	-1.5
Exercise of DS stock-options	2.2	0.3	+1.9
Cash dividend paid	-	-	+0.0
Net Cash Provided by (Used in) Financing Activities (III)	0.7	0.3	+0.4
Effect of exchange rate changes on cash and cash equivalents (IV)	40.2	18.9	+21.3
Increase (Decrease) in Cash (V) = (I)+(II)+(III)+(IV)	(136.2)	108.5	-244.7
Cash and cash equivalents at Beginning of Period	939.1	794.1	
Cash and cash equivalents at End of Period	802.9	902.6	
Cash and cash equivalents variation	(136.2)	108.5	

Exchange rates (€/US\$)

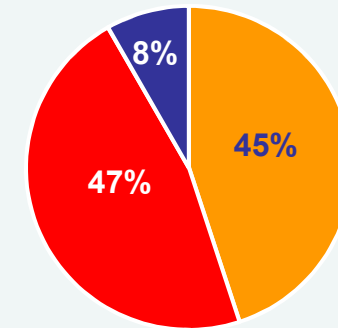
Exchange rates (€/JPY)

Period	Average Rate	% Growth	Ending Rate	% Growth	Period	Average Rate	% Growth	Ending Rate	% Growth
2007	1.37	9.2%	1.47	11.8%	2007	161.4	10.5%	164.9	5.1%
2008	1.47	7.3%	1.39	(5.5%)	2008	152.3	(5.6%)	126.1	(23.5%)
2009	1.39	(5.2%)	1.44	3.5%	2009	130.3	(14.5%)	133.2	5.6%
1Q10	1.38	6.1%	1.35	1.3%	1Q10	125.5	2.8%	125.9	(4.0%)
1Q09	1.30	(13.1%)	1.33	(15.8%)	1Q09	122.0	(22.6%)	131.2	(16.6%)
1Q08	1.50	14.4%	1.58	18.7%	1Q08	157.7	0.8%	157.4	0.0%
1Q07	1.31	9.0%	1.33	10.0%	1Q07	156.5	11.4%	157.3	10.5%
2Q09	1.36	(12.7%)	1.41	(10.3%)	2Q09	132.6	(18.8%)	135.5	(18.6%)
2Q08	1.56	15.9%	1.58	16.7%	2Q08	163.4	0.3%	166.4	(0.1%)
2Q07	1.35	7.3%	1.35	7.8%	2Q07	162.8	13.2%	166.6	14.1%
3Q09	1.43	(4.9%)	1.46	2.4%	3Q09	133.8	(17.3%)	131.1	(12.9%)
3Q08	1.50	9.4%	1.43	0.9%	3Q08	161.8	(0.1%)	150.5	(8.0%)
3Q07	1.37	7.9%	1.42	12.0%	3Q07	161.9	9.3%	163.6	9.5%
4Q09	1.48	12.2%	1.44	3.5%	4Q09	132.7	4.9%	133.2	5.6%
4Q08	1.32	(9.1%)	1.39	(5.5%)	4Q08	126.4	(23.0%)	126.1	(23.5%)
4Q07	1.45	12.3%	1.47	11.8%	4Q07	164.3	8.2%	164.9	5.1%

Headcount

At Closing - TOTAL					
	Mar-10	Mar-09	% growth	Dec-09	% growth
M&S + COR Ser	3,507	3,792	-7.5%	3,595	-2.4%
R&D + COR SW	3,650	3,584	1.8%	3,596	1.5%
G&A	649	643	0.9%	643	0.9%
Total	7,806	8,020	-2.7%	7,834	-0.4%

Closing Headcount – March 2010



- M&S + COR Ser
- R&D + COR SW
- G&A



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Thank You!