

Dassault Systèmes Confirms 2016 Financial Objectives on Strong 3DEXPERIENCE platform and Industry Solutions Traction

VÉLIZY-VILLACOUBLAY, France — July 21, 2016 — [Dassault Systèmes](#) (Euronext Paris: #13065, DSY.PA), the 3DEXPERIENCE Company, world leader in 3D design software, 3D Digital Mock Up and Product Lifecycle Management (PLM) solutions, today announced IFRS unaudited financial results for the second quarter and six months ended June 30, 2016. These results were reviewed by the Company’s Board of Directors on July 20, 2016.

Summary Highlights (unaudited)

- Q2 Non-IFRS EPS growth of 8% (12% in constant currencies)
- ENOVIA, SOLIDWORKS, DELMIA, SIMULIA and Exalead delivered strong Q2
- 3DEXPERIENCE new licenses revenue growing 103% in Q2 and 68% in H1 in constant currencies
- Diversification Momentum led by High Tech, Energy, Process & Utilities and Marine & Offshore
- 2016 Non-IFRS financial objectives reaffirmed, with strong H2 software revenue growth
- Expanding Manufacturing and Multi-physics Simulation Portfolios with the acquisitions of Ortems and CST

2016 Second Quarter and First Half Financial Highlights (unaudited)

In millions of Euros, except per share data	IFRS			Non-IFRS		
		Change	Change in cc*		Change	Change in cc*
Q2 2016 Total Revenue	754.0	5%	7%	754.0	4%	6%
Q2 2016 Operating Margin	21.4%			30.4%		
Q2 2016 EPS	0.39	0%		0.57	8%	

In millions of Euros, except per share data	IFRS			Non-IFRS		
		Change	Change in cc*		Change	Change in cc*
YTD 2016 Total Revenue	1,445.4	6%	7%	1,447.5	4%	5%
YTD 2016 Operating Margin	19.6%			28.4%		
YTD 2016 EPS	0.74	10%		1.08	13%	

*In constant currencies

“To help our customers innovate and run their businesses at the new levels required for success we have significantly expanded our portfolio coverage and are running our industry solution experiences on the 3DEXPERIENCE platform, in order to integrate and make sense of the large quantities of data,” commented Bernard Charlès, Dassault Systèmes Vice Chairman of the Board of Directors and Chief Executive Officer. “This is why we changed our architecture, moving to the 3DEXPERIENCE platform which is data-centric and model-based.

The 3DEXPERIENCE City program for Smart Nation, revealed at the Singapore World City Summit, is the proof that our platform can scale and integrate high diversity and high volumes of data, in a collaborative environment to optimize and improve city experience for businesses and citizens. Similarly, our Industry Solutions for life sciences powered by the same 3DEXPERIENCE platform offer a collaborative innovation environment for precision medicine and personalized health and will accelerate discoveries in this domain as illustrated by our recent cooperation agreement with INSERM.

“At the time we first introduced our architecture we were perhaps ahead of the market, but it is clear now with the addition of the 3DEXPERIENCE platform that we are precisely where we need to be. And the market is confirming this perspective, with 3DEXPERIENCE momentum increasing thanks to transactions across a number of industries and a wide array of companies, from global leaders to start-ups and small professional firms.

“Dassault Systèmes’ software portfolio now spans a wide spectrum of domains from ideation, modeling, and scientific simulation to production, logistics optimization, and marketing. We are expanding further with the acquisitions of Ortems, extending our global industrial operations software to manufacturing scheduling, and of CST, the technology leader in electromagnetic simulation, significantly enhancing our multi-physics, multi-scale simulation as IoT and smart objects are becoming pervasive in all sectors of the economy and will require new levels of safety and certification processes.”

2016 Second Quarter Financial Summary (unaudited)

In millions of Euros, except per share data	IFRS			Non-IFRS		
		Change	Change in cc*		Change	Change in cc*
Q2 2016 Total Revenue	754.0	5%	7%	754.0	4%	6%
Q2 2016 Software Revenue	669.4	7%	9%	669.4	5%	7%
Q2 2016 Service & other Revenue	84.6	-4%	-2%	84.6	-4%	-3%
Q2 2016 Operating Margin	21.4%			30.4%		
Q2 2016 EPS	0.39	0%		0.57	8%	

Total Software Revenue in millions of Euros	IFRS			Non-IFRS		
	Q2 2016	Q2 2015	Change in cc*	Q2 2016	Q2 2015	Change in cc*
Americas	202.0	186.7	11%	202.0	190.6	8%
Europe	282.2	263.8	10%	282.2	266.5	9%
Asia	185.2	177.3	4%	185.2	178.3	4%

*In constant currencies

- IFRS total revenue increased 7% on software revenue growth of 9% offset in part by a decrease in services and other revenue of 2%. Similarly, on a non-IFRS basis, total revenue increased 6%, with software revenue growth of 7%, and services and other revenue decrease of 3%. (All growth rates in constant currencies.)
- On a regional basis, non-IFRS software revenue increased 8% in the Americas on growth in both North America and Latin America, including double-digit new licenses revenue growth. Similarly in Europe, non-IFRS software revenue increased 9% with double-digit new

licenses revenue growth, led by Northern and Southern Europe and France. In Asia software revenue growth was more muted at 4%, reflecting mixed results as well as a high base of comparison. (All growth comparisons are in constant currencies.)

- Non-IFRS new licenses revenue increased 6% in constant currencies in the second quarter led by large account activity. 3DEXPERIENCE platform and industry solution sales were up sharply as were sales in Diversification Industries.
- Non-IFRS periodic license, maintenance and other software-related revenue increased 8% in constant currencies, on strong growth in maintenance subscription revenue worldwide and growth in rental subscriptions.
- By product line and on a non-IFRS basis, ENOVIA, SOLIDWORKS and Other Software, delivered double-digit software revenue growth. CATIA software revenue results were in line with Company plans, increasing 1% in the quarter. (All growth comparisons are in constant currencies.)
- IFRS operating income increased 2%. Non-IFRS operating income increased 8% to €229.2 million on both revenue growth and operating margin expansion. Specifically, in the 2016 second quarter the non-IFRS operating margin increased 100 basis points to 30.4%. The Company noted that currency had a net negative impact on the non-IFRS operating margin of approximately 20 basis points.
- IFRS net income per diluted share was €0.39 per share. On a non-IFRS basis, net income per diluted share was €0.57, increasing 8% on revenue growth and operating margin expansion while also reflecting approximately four percentage points from net negative currency effects.

2016 First Half Financial Summary (unaudited)

In millions of Euros, except per share data	IFRS			Non-IFRS		
		Change	Change in cc*		Change	Change in cc*
YTD 2016 Total Revenue	1,445.4	6%	7%	1,447.5	4%	5%
YTD 2016 Software Revenue	1,281.6	6%	7%	1,283.3	5%	6%
YTD 2016 Services and other revenue	163.8	2%	2%	164.2	1%	2%
YTD 2016 Operating Margin	19.6%			28.4%		
YTD 2016 EPS	0.74	10%		1.08	13%	

Total Software Revenue in millions of Euros	IFRS			Non-IFRS		
	YTD 2016	YTD 2015	Change in cc*	YTD 2016	YTD 2015	Change in cc*
Americas	387.4	355.5	10%	388.4	366.1	7%
Europe	540.5	514.3	8%	540.9	521.1	6%
Asia	353.7	336.2	5%	354.0	339.2	4%

*In constant currencies

- IFRS total revenue increased 7%. Non-IFRS total revenue increased 5%, with software revenue growth of 6% and services and other revenue growth of 2%. (All growth rates in constant currencies.)

- For the 2016 First Half, Diversification Industries represented approximately 31% of total software revenue, increasing one percentage point in comparison to the 2015 First Half. Strong software revenue growth was recorded in Energy, Process & Utilities, High Tech, and Marine & Offshore, in particular.
- On a regional basis, Americas and Europe posted the strongest software revenue growth increasing 7% and 6%, respectively. Growth in Americas was led by North America. In Europe, growth was delivered by all geos, led by Southern Europe. Software revenue growth in Asia was strongest in China. Total Asia growth of 4% reflected a softer macroeconomic backdrop. Europe represented 42% of non-IFRS total software revenue, Americas 30% and Asia 28%. (All growth rates in constant currencies.)
- Non-IFRS software revenue increased 6%, on strong growth in recurring software revenue. Recurring software revenue represented 72% of non-IFRS total software revenue for the 2016 First Half and was comprised of maintenance subscriptions and rental subscriptions. All sales channels reported a high level of maintenance renewals. New licenses software revenue increased 2%, and reflects a more back-end weighted year of activity anticipated by the Company. (All growth comparisons are in constant currencies.)
- By product line, the strongest results were recorded by ENOVIA with non-IFRS software revenue growth of 12%, followed by SOLIDWORKS with 10% growth. CATIA non-IFRS software revenue increased 3%, and Other Software increased 4%. (All growth comparisons are in constant currencies.)
- The non-IFRS operating margin was 28.4% for the 2016 First Half, increasing 70 basis points compared to 27.7% for the 2015 First Half and well reflecting the Company's full year improvement target.
- During the 2016 First Half both the IFRS and non-IFRS effective tax rate benefited principally from the reversal of a tax reserve as well as from lower tax rates in key jurisdictions. In combination these factors lowered the effective tax rates to 27.5% from 36.5% (IFRS) and to 31.1% from 35.7% (non-IFRS) in comparison to the 2015 First Half.
- IFRS diluted net income per share increased 10%. Non-IFRS diluted net income per share increased 13% to €1.08 per diluted share, compared to €0.96 per diluted share. Both IFRS and non-IFRS net income per diluted share reflected revenue and operating income growth, as well as lower effective tax rates offset in part by a net negative impact from currencies.

Cash Flow and Other Financial Highlights

Net operating cash flow increased 8% to €449.1 million for the six months ended June 30, 2016, compared to €416.8 million for the 2015 First Half, reflecting higher net income.

In the 2016 First Half, the Company uses of cash were principally for cash dividends of €101.9 million, share repurchases of €43.3 million, payment for acquisitions net of cash acquired of €11.2 million, and capital expenditures of €18.4 million. The Company received cash for stock options exercised of €10.5 million.

The Company's net financial position increased to €1.64 billion at June 30, 2016, compared to €1.35 billion at December 31, 2015, reflecting an increase in cash, cash equivalents and short-term investments to €2.64 billion from €2.35 billion, with long-term debt of €1.00 billion unchanged.

Summary of Recent Business, Technology and Customer Highlights

Acquisitions

On July 21, 2016, Dassault Systèmes announced that it has entered into a definitive agreement to acquire CST, the technology leader in electromagnetic (EM) simulation, for approximately €220 million in an all-cash transaction. Based in Darmstadt, Germany, the privately-held CST will extend Dassault Systèmes capabilities for realistic multiphysics simulation to include full spectrum electromagnetic (EM) simulation. CST's software is used by designers and engineers at more than 2,000 companies in the high-tech, transportation and mobility, aerospace and defense, and energy industries to analyze and solve EM interference, compatibility and environmental effects issues during electronics product development and systems integration. Customers include Airbus Defence and Space, BMW, Continental Automotive, LG, Raytheon, Samsung, and Siemens Energy. The acquisition is expected to be completed in Q4 2016, subject to regulatory approvals.

On June 2, 2016 Dassault Systèmes announced the acquisition of Ortems, a key provider of on premise and on the cloud capacity constraint-based production scheduling and dispatching software. The acquisition of Ortems, based in Lyon, France, extends Dassault Systèmes' 3DEXPERIENCE platform and its industry solution experiences for next generation manufacturing, supply chain and delivery, by reinforcing production planning and scheduling along with DELMIA Quintiq supply chain planning and optimization capabilities, in order to plan, execute and optimize global industrial operations in manufacturing industries. Ortems complements Dassault Systèmes' DELMIA brand applications, including DELMIA Apriso, to offer a unified experience to all users in digital manufacturing, manufacturing operations management, and supply chain planning and operations, built on a single referential data model.

Customers

Announced on June 9, 2016, Dassault Systèmes and Airbus Group Extend Collaboration to Additive Manufacturing. Airbus Group, after a two-year comprehensive benchmarking process, is extending its use of Dassault Systèmes' 3DEXPERIENCE platform to its additive manufacturing programs integrating design, simulation and production. Airbus Group will deploy Dassault Systèmes' collaborative design and simulation applications as part of the "Co-Design to Target" industry solution experience, for the additive manufacturing of tooling, prototyping and parts for test flights and for production use on commercial aircraft. This provides Airbus Group with digital continuity to optimize its conceptual designs by virtually validating each phase of the additive manufacturing process.

Dassault Systèmes Awarded Best Supplier by Group PSA in May, 2016. Dassault Systèmes was recognized for its 3DEXPERIENCE platform as a key enabler of the digital transformation of Group PSA's global research and development.

Partnerships

On June 10, 2016 Dassault Systèmes and Cybernaut Investment Group Announced the Signing of an Agreement to Support Innovation in China with the 3DEXPERIENCE Platform. Dassault Systèmes and Cybernaut, a leading investment group in China focusing on emerging industries, signed a strategic cooperation agreement on a series of 3DEXPERIENCE platform-related projects including building Industry Parks, cultivating 3D talents and smart city programs.

Other Corporate Events

The Company reaffirmed its 2019 non-IFRS EPS objective of about €3.50 in conjunction with its Capital Markets Day held on June 10, 2016 at its corporate headquarters. The 2019 objective was initially outlined on June 13, 2014 at the Company's prior capital markets day.

On May 26, 2016, at the Annual Shareholders' Meeting, Dassault Systèmes' shareholders approved an annual dividend per share equivalent to €0.47 per share for the fiscal year ended December 31, 2015, representing an increase of 9% compared to the prior year. In addition, shareholders again approved offering shareholders the option to receive payment of their dividend in the form of cash or in new Dassault Systèmes shares. The payment of the dividend was completed on June 24, 2016, with the cash payment in the aggregate amount of €100.1 million and the issuance of 280,734 new ordinary shares.

On May 26, 2016 at a Board of Directors' meeting, directors approved the appointment of Bernard Charlès as Vice Chairman of the Company's Board of Directors in addition to his role as Chief Executive Officer.

Business Outlook

Thibault de Tersant, Senior Executive Vice President, CFO, commented, *"Our second quarter and first half were well aligned with our financial objectives. And looking ahead we see a second half with significant strength, leading to a year of solid growth in revenue and earnings for 2016, notwithstanding the increased currency headwinds and more volatile macro backdrop we are operating within.*

"Since the inception of our 2016 guidance in February we anticipated a first half led by recurring software revenue and that is precisely what has occurred. And we said we expected to deliver a marked acceleration in new licenses revenue growth and to make investments to support our future growth trajectory in the second half and that is precisely what we expect to do.

"Therefore, we are reconfirming our financial objectives for 2016 thanks to the strong traction coming from 3DEXPERIENCE and industry diversification as well as the improving sales trends in our Professional channel with SOLIDWORKS.

"Finally, with respect to the upcoming third quarter, our revenue growth objective reflects a significant improvement in our new licenses revenue performance and continued recurring software revenue strength. Further, taking into account currency headwinds and one-time, R&D tax credit and tax-related benefits in the year-ago period, our EPS growth remains on a double-digit trajectory."

The Company's third quarter and full year 2016 financial objectives are as follows:

- Third quarter 2016 non-IFRS total revenue objective of about €715-725 million based upon the exchange rates assumptions below; non-IFRS operating margin of about 30% to 30.5%; and non-IFRS EPS of about €0.54 to €0.57; The Company noted that in the 2015 third quarter, there was the reversal of a R&D tax credit with a one-time benefit to the non-IFRS operating margin of about 90 basis points and to non-IFRS EPS of about 2 cents and the reversal of a tax reserve with a one-time benefit to non-IFRS EPS of about 4 cents.
- 2016 non-IFRS revenue growth objective of about 6% to 7% in constant currencies at €2.990 to €3.015 billion (reflecting the principal 2016 currency exchange rate assumptions below);
- 2016 non-IFRS operating margin of about 31%, compared to 2015 where the non-IFRS operating margin was 30.8%;
- 2016 non-IFRS EPS of about €2.40, representing a growth objective of about 7%, as reported, and currently embedding about 4 percentage points of currency headwinds;
- Objectives are based upon exchange rate assumptions of US\$1.15 per €1.00 for the 2016 third quarter and US\$1.13 per €1.00 for the full year; and JPY120 per €1.00 for the third quarter and JPY122.2 per €1.00 for the full year before hedging.

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

The 2016 non-IFRS objectives set forth above do not take into account the following accounting elements and are estimated based upon the 2016 principal currency exchange rates above: deferred revenue write-downs estimated at approximately €2 million, share-based compensation expense, including related social charges, estimated at approximately €78 million and amortization of acquired intangibles estimated at approximately €149 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 July 21, 2016.

Today's Webcast and Conference Call Information

Today, Thursday, July 21, 2016, Dassault Systèmes will first host a meeting in Paris, which will be simultaneously webcasted at 9:00 AM London time/10:00 AM Paris time and will then also 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 1 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

Third Quarter 2016 Earnings, October 25, 2016
Fourth Quarter 2016 Earnings, February 2, 2017

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 2016 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. Furthermore, due to factors affecting sales of the Company's products and services as described above and in the Risk Factors section of the Company's most recent *Document de Référence*, 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.

In preparing such forward-looking statements, the Company has in particular assumed an average US dollar to euro exchange rate of US\$1.15 per €1.00 for the 2016 third quarter and US\$1.13 per €1.00 for the full year as well as an average Japanese yen to euro exchange rate of JPY120.0 to €1.00 for the third quarter and JPY122.2 to €1.00 for the full year before hedging; however, currency values fluctuate, and the Company's results of operations may be significantly affected by changes in exchange rates.

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 2015 *Document de Référence*, filed with the AMF on March 23, 2016, and also available on the Company's website www.3ds.com.

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 annual report for the year ended December 31, 2015 included in the Company's 2015 *Document de Référence* filed with the AMF on March 23, 2016.

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.

Information in Constant Currencies

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 "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.

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 210,000 customers of all sizes, in all industries, in more than 140 countries. For more information, visit www.3ds.com.

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(Tables to Follow)

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DASSAULT SYSTEMES NON-IFRS KEY FIGURES

(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 and certain one-time tax effects.

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				Six months ended			
	June 30, 2016	June 30, 2015	Change	Change in cc*	June 30, 2016	June 30, 2015	Change	Change in cc*
Non-IFRS Revenue	€ 754.0	€ 723.5	4%	6%	€ 1,447.5	€ 1,388.6	4%	5%
Non-IFRS Revenue breakdown by activity								
Software revenue	669.4	635.4	5%	7%	1,283.3	1,226.4	5%	6%
<i>of which new licenses revenue</i>	191.6	182.8	5%	6%	349.5	346.4	1%	2%
<i>of which periodic licenses, maintenance and other software-related revenue</i>	477.8	452.6	6%	8%	933.8	880.0	6%	7%
Services and other revenue	84.6	88.1	-4%	-3%	164.2	162.2	1%	2%
Non-IFRS Recurring software revenue	474.9	444.9	7%	9%	928.6	866.7	7%	9%
Non-IFRS software revenue breakdown by product line								
CATIA software revenue	244.0	244.0	0%	1%	465.5	454.6	2%	3%
ENOVIA software revenue	81.7	73.1	12%	13%	152.6	136.8	12%	12%
SOLIDWORKS software revenue	152.2	140.2	9%	13%	303.7	282.9	7%	10%
Other software revenue	191.5	178.1	8%	10%	361.5	352.1	3%	4%
Non-IFRS Software Revenue breakdown by geography								
Americas	202.0	190.6	6%	8%	388.4	366.1	7%	7%
Europe	282.2	266.5	6%	9%	540.9	521.1	4%	6%
Asia	185.2	178.3	4%	4%	354.0	339.2	4%	4%
Non-IFRS operating income	€ 229.2	€ 212.4	8%		€ 410.9	€ 384.1	7%	
Non-IFRS operating margin	30.4%	29.4%			28.4%	27.7%		
Non-IFRS net income attributable to shareholders	146.3	136.2	7%		277.4	246.9	12%	
Non-IFRS diluted net income per share	€ 0.57	€ 0.53	8%		€ 1.08	€ 0.96	13%	
Closing headcount	14,310	13,588	5%		14,310	13,588	5%	
Average Rate USD per Euro	1.13	1.11	2%		1.12	1.12	0%	
Average Rate JPY per Euro	121.9	134.3	-9%		124.4	134.2	-7%	

*In constant currencies

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		Six months ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
New licenses revenue	191.6	177.4	348.9	333.9
Periodic licenses, maintenance and other software-related revenue	477.8	450.4	932.7	872.1
Software revenue	669.4	627.8	1,281.6	1,206.0
Services and other revenue	84.6	87.9	163.8	161.2
Total Revenue	€ 754.0	€ 715.7	€ 1,445.4	€ 1,367.2
Cost of software revenue (excluding amortization of acquired intangibles)	(37.7)	(35.3)	(75.2)	(72.0)
Cost of services and other revenue	(78.7)	(74.2)	(155.8)	(145.0)
Research and development	(138.7)	(128.4)	(269.2)	(251.6)
Marketing and sales	(232.2)	(228.2)	(460.0)	(445.7)
General and administrative	(56.0)	(50.4)	(110.4)	(100.9)
Amortization of acquired intangibles	(38.2)	(37.5)	(77.4)	(77.6)
Other operating income and expense, net	(11.1)	(4.0)	(13.5)	(6.2)
Total Operating Expenses	(€ 592.6)	(€ 558.0)	(€ 1,161.5)	(€ 1,099.0)
Operating Income	€ 161.4	€ 157.7	€ 283.9	€ 268.2
Financial revenue and other, net	(7.6)	3.1	(16.8)	3.8
Income before income taxes	153.8	160.8	267.1	272.0
Income tax expense	(50.9)	(59.1)	(73.5)	(99.3)
Net Income	102.9	101.7	193.6	172.7
Non-controlling interest	(1.6)	(1.4)	(2.4)	(2.5)
Net Income attributable to equity holders of the parent	€ 101.3	€ 100.3	€ 191.2	€ 170.2
Basic net income per share	0.40	0.40	0.75	0.68
Diluted net income per share	€ 0.39	€ 0.39	€ 0.74	€ 0.67
Basic weighted average shares outstanding (in millions)	253.8	252.4	253.8	252.1
Diluted weighted average shares outstanding (in millions)	257.3	256.1	257.3	255.9

IFRS revenue variation as reported and in constant currencies

	Three months ended June 30, 2016		Six months ended June 30, 2016	
	Change*	Change in cc**	Change*	Change in cc**
IFRS Revenue	5%	7%	6%	7%
IFRS Revenue by activity				
Software revenue	7%	9%	6%	7%
Services and other revenue	-4%	-2%	2%	2%
IFRS Software Revenue by product line				
CATIA software revenue	0%	1%	2%	3%
ENOVIA software revenue	12%	13%	12%	12%
SOLIDWORKS software revenue	9%	13%	7%	10%
Other software revenue	12%	14%	8%	10%
IFRS Revenue by geography				
Americas	6%	8%	7%	8%
Europe	5%	8%	4%	7%
Asia	6%	5%	6%	6%

*Variation compared to the same period in the prior year.

**In constant currencies

DASSAULT SYSTEMES
CONDENSED CONSOLIDATED BALANCE SHEETS (IFRS)
(unaudited; in millions of Euros)

In millions of Euros	June 30, 2016	December 31, 2015
ASSETS		
Cash and cash equivalents	2,585.8	2,280.5
Short-term investments	50.4	70.8
Accounts receivable, net	622.6	739.1
Other current assets	171.3	150.8
Total current assets	3,430.1	3,241.2
Property and equipment, net	128.5	135.3
Goodwill and Intangible assets, net	2,608.8	2,687.1
Other non-current assets	323.7	247.8
Total Assets	€ 6,491.1	€ 6,311.4
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	114.9	119.8
Unearned revenues	932.7	778.0
Other current liabilities	400.3	414.0
Total current liabilities	1,447.9	1,311.8
Long-term debt	1,000.0	1,000.0
Other non-current obligations	522.6	511.9
Total long-term liabilities	1,522.6	1,511.9
Non-controlling interests	18.3	19.2
Parent shareholders' equity	3,502.3	3,468.5
Total Liabilities and Shareholders' equity	€ 6,491.1	€ 6,311.4

DASSAULT SYSTEMES
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (IFRS)
(unaudited; in millions of Euros)

In millions of Euros	Three months ended			Six months ended		
	June 30, 2016	June 30, 2015	Change	June 30, 2016	June 30, 2015	Change
Net Income attributable to equity holders of the parent	101.3	100.3	1.0	191.2	170.2	21.0
Non-controlling interest	<u>1.6</u>	<u>1.3</u>	<u>0.3</u>	<u>2.4</u>	<u>2.4</u>	<u>0.0</u>
Net Income	102.9	101.6	1.3	193.6	172.6	21.0
Depreciation of property & equipment	10.9	10.7	0.2	21.4	21.0	0.4
Amortization of intangible assets	40.5	39.5	1.0	81.7	81.7	0.0
Other non cash P&L Items	0.5	(10.2)	10.7	(8.8)	(20.3)	11.5
Changes in working capital	(15.0)	9.9	(24.9)	161.2	161.8	(0.6)
Net Cash provided by operating activities	€ 139.8	€ 151.5	(€ 11.7)	€ 449.1	€ 416.8	€ 32.3
Additions to property, equipment and intangibles	(9.6)	(9.1)	(0.5)	(18.4)	(18.0)	(0.4)
Payments for acquisition of businesses, net of cash acquired	(11.2)	(11.4)	0.2	(11.2)	(18.1)	6.9
Sale (purchase) of short term investments, net	(1.0)	26.3	(27.3)	19.8	16.3	3.5
Sale (purchase) of investments, loans and others	(0.5)	1.6	(2.1)	0.6	(3.6)	4.2
Net Cash provided by (used in) investing activities	(€ 22.3)	€ 7.4	(€ 29.7)	(€ 9.2)	(€ 23.4)	€ 14.2
Proceeds (Repayments) of short-term and long-term debt	0.0	(10.8)	10.8	0.0	(10.8)	10.8
(Purchase) Sale of treasury stock	(9.0)	(1.6)	(7.4)	(43.3)	(5.1)	(38.2)
Proceeds from exercise of stock options	7.3	9.3	(2.0)	10.5	19.5	(9.0)
Cash dividend paid	(100.1)	(95.6)	(4.5)	(101.9)	(95.6)	(6.3)
Net Cash provided by (used in) financing activities	(€ 101.8)	(€ 98.7)	(€ 3.1)	(€ 134.7)	(€ 92.0)	(€ 42.7)
Effect of exchange rate changes on cash and cash equivalents	28.1	(28.6)	56.7	0.1	38.5	(38.4)
Increase (decrease) in cash and cash equivalents	€ 43.8	€ 31.6	€ 12.2	€ 305.3	€ 339.9	(€ 34.6)
Cash and cash equivalents at beginning of period	€ 2,542.0	€ 1,412.5		€ 2,280.5	€ 1,104.2	
Cash and cash equivalents at end of period	€ 2,585.8	€ 1,444.1		€ 2,585.8	€ 1,444.1	

DASSAULT SYSTEMES
SUPPLEMENTAL NON-IFRS FINANCIAL INFORMATION
IFRS – NON-IFRS RECONCILIATION
(unaudited; in millions of Euros, except per share data)

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In millions of Euros, except per share data and percentages	Three months ended June 30,					Change		
	2016 IFRS	Adjustment (1)	2016 non-IFRS	2015 IFRS	Adjustment (1)	2015 non-IFRS	IFRS	Non-IFRS (2)
Total Revenue	€ 754.0		€ 754.0	€ 715.7	€ 7.8	€ 723.5	5%	4%
Total Revenue breakdown by activity								
Software revenue	669.4		669.4	627.8	7.6	635.4	7%	5%
<i>New Licenses</i>	191.6		191.6	177.4	5.4	182.8	8%	5%
<i>Other software-related revenue</i>	2.9		2.9	7.7		7.7	-62%	-62%
<i>Periodic Licenses and Maintenance</i>	474.9		474.9	442.7	2.2	444.9	7%	7%
<i>Recurring portion of Software revenue</i>	71%		71%	71%		70%		
Services and other revenue	84.6		84.6	87.9	0.2	88.1	-4%	-4%
Total Software Revenue breakdown by product line								
CATIA software revenue	244.0		244.0	244.0		244.0	0%	0%
ENOVIA software revenue	81.7		81.7	73.1		73.1	12%	12%
SOLIDWORKS software revenue	152.2		152.2	140.2		140.2	9%	9%
Other software revenue	191.5		191.5	170.5	7.6	178.1	12%	8%
Total Revenue breakdown by geography								
Americas	232.9		232.9	220.0	4.0	224.0	6%	4%
Europe	320.2		320.2	305.3	2.7	308.0	5%	4%
Asia	200.9		200.9	190.4	1.1	191.5	6%	5%
Total Operating Expenses	(€ 592.6)	€ 67.8	(€ 524.8)	(€ 558.0)	€ 46.9	(€ 511.1)	6%	3%
Share-based compensation expense	(18.5)	18.5	-	(5.4)	5.4	-		
Amortization of acquired intangibles	(38.2)	38.2	-	(37.5)	37.5	-		
Other operating income and expense, net	(11.1)	11.1	-	(4.0)	4.0	-		
Operating Income	€ 161.4	€ 67.8	€ 229.2	€ 157.7	€ 54.7	€ 212.4	2%	8%
Operating Margin	21.4%		30.4%	22.0%		29.4%		
Financial revenue & other, net	(7.6)	6.4	(1.2)	3.1		3.1	-345%	-139%
Income tax expense	(50.9)	(29.2)	(80.1)	(59.1)	(18.8)	(77.9)	-14%	3%
Non-controlling interest	(1.6)		(1.6)	(1.4)		(1.4)	14%	14%
Net Income attributable to shareholders	€ 101.3	45.0	€ 146.3	€ 100.3	35.9	€ 136.2	1%	7%
Diluted Net Income Per Share (3)	€ 0.39	0.18	€ 0.57	€ 0.39	0.14	€ 0.53	0%	8%

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

In millions of Euros	Three months ended June 30,					
	2016 IFRS	Adjustment	2016 non-IFRS	2015 IFRS	Adjustment	2015 non-IFRS
Cost of revenue	(116.4)	0.8	(115.6)	(109.5)	0.2	(109.3)
Research and development	(138.7)	7.4	(131.3)	(128.4)	2.2	(126.2)
Marketing and sales	(232.2)	6.6	(225.6)	(228.2)	2.2	(226.0)
General and administrative	(56.0)	3.7	(52.3)	(50.4)	0.8	(49.6)
Total share-based compensation expense		18.5			5.4	

(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 257.3 million diluted shares for Q2 2016 and 256.1 million diluted shares for Q2 2015.

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, 2015 filed with the AMF on March 23, 2016. 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	Six months ended June 30,						Change	
	2016 IFRS	Adjustment (1)	2016 non-IFRS	2015 IFRS	Adjustment (1)	2015 non-IFRS	IFRS	Non-IFRS (2)
Total Revenue	€ 1,445.4	€ 2.1	€ 1,447.5	€ 1,367.2	€ 21.4	€ 1,388.6	6%	4%
Total Revenue breakdown by activity								
Software revenue	1,281.6	1.7	1,283.3	1,206.0	20.4	1,226.4	6%	5%
<i>New Licenses</i>	348.9	0.6	349.5	333.9	12.5	346.4	4%	1%
<i>Other software-related revenue</i>	5.2		5.2	13.3		13.3	-61%	-61%
<i>Periodic Licenses and Maintenance</i>	927.5	1.1	928.6	858.8	7.9	866.7	8%	7%
<i>Recurring portion of Software revenue</i>	72%		72%	71%		71%		
Services and other revenue	163.8	0.4	164.2	161.2	1.0	162.2	2%	1%
Total Software Revenue breakdown by product line								
CATIA software revenue	465.5		465.5	454.6		454.6	2%	2%
ENOVIA software revenue	152.6		152.6	136.8		136.8	12%	12%
SOLIDWORKS software revenue	303.7		303.7	282.9		282.9	7%	7%
Other software revenue	359.8	1.7	361.5	331.7	20.4	352.1	8%	3%
Total Revenue breakdown by geography								
Americas	448.2	1.1	449.3	417.3	11.0	428.3	7%	5%
Europe	612.6	0.6	613.2	587.8	7.2	595.0	4%	3%
Asia	384.6	0.4	385.0	362.1	3.2	365.3	6%	5%
Total Operating Expenses	(€ 1,161.5)	€ 124.9	(€ 1,036.6)	(€ 1,099.0)	€ 94.5	(€ 1,004.5)	6%	3%
Share-based compensation expense	(34.0)	34.0	-	(10.7)	10.7	-	-	-
Amortization of acquired intangibles	(77.4)	77.4	-	(77.6)	77.6	-	-	-
Other operating income and expense, net	(13.5)	13.5	-	(6.2)	6.2	-	-	-
Operating Income	€ 283.9	€ 127.0	€ 410.9	€ 268.2	€ 115.9	€ 384.1	6%	7%
Operating Margin	19.6%		28.4%	19.6%		27.7%		
Financial revenue & other, net	(16.8)	11.8	(5.0)	3.8		3.8	-542%	-232%
Income tax expense	(73.5)	(52.6)	(126.1)	(99.3)	(39.2)	(138.5)	-26%	-9%
Non-controlling interest	(2.4)		(2.4)	(2.5)		(2.5)	-4%	-4%
Net Income attributable to shareholders	€ 191.2	86.2	€ 277.4	€ 170.2	76.7	€ 246.9	12%	12%
Diluted Net Income Per Share (3)	€ 0.74	0.34	€ 1.08	€ 0.67	0.29	€ 0.96	10%	13%

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

In millions of Euros	Six months ended June 30,					
	2016 IFRS	Adjustment	2016 non-IFRS	2015 IFRS	Adjustment	2015 non-IFRS
Cost of revenue	(231.0)	1.4	(229.6)	(217.0)	0.3	(216.7)
Research and development	(269.2)	13.9	(255.3)	(251.6)	4.4	(247.2)
Marketing and sales	(460.0)	11.8	(448.2)	(445.7)	4.1	(441.6)
General and administrative	(110.4)	6.9	(103.5)	(100.9)	1.9	(99.0)
Total share-based compensation expense		34.0			10.7	

(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 257.3 million diluted shares for H1 2016 and 255.9 million diluted shares for H1 2015.