

Experience the Virtual World for a Better Life



See what you mean



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Profile

3D is a new universal language. The Dassault Systèmes (DS) vision is to enable everyone — from designers to collaborators and consumers — to create, share, and experience in 3D. As a world leader in 3D and Product Lifecycle Management (PLM) solutions, the company's software and services allow businesses of any size in any industry around the globe to digitally define and simulate products, as well as the processes and resources required to manufacture, maintain, and recycle them and improve our environment. DS applications provide new opportunities to use 3D representation for online lifelike experiences in order to enhance real-life living spaces and everyday products.



Message from
The Chairman and the President

2007 in Review

In 2007, after two years of significant investments, we made remarkable progress in strengthening our sales channels and product portfolio.

We are successfully transforming our sales channels to better address the markets and customers we serve, assuming control of our PLM Value Channel to improve our coverage of the PLM mid-market and target new industry verticals; working together with our long-term partner IBM to offer large customers an integrated PLM solution; leveraging our direct sales force capacity to promote our first-class brands; and increasing our sales capacity in all channels, with special attention to the Professional Channel for Mainstream 3D.

We are advancing our product portfolio, the most comprehensive of any player in our industry. During 2007 we introduced our newest brand, 3DVIA, and in January 2008 we introduced our next-generation platform, Version 6 for PLM 2.0. This new 3D online environment provides an unmatched level of integration and openness, covering a wide variety of PLM business processes driven by user experiences and is designed to help our customers address their most important priorities: innovation, ease-of-use, global collaboration and higher returns on investments.

With the help of our customers and partners and tremendous efforts by our employees, our goal was to make these major changes relatively seamless from a financial perspective. Reviewing our 2007 financial results, we largely met this objective.

2007 Financial Review*

Within an environment of significant transformation of our sales channels and very strong currency headwinds, we achieved a good level of revenue and earnings growth in 2007 thanks to the diversification of our product portfolio, geographic reach and sales channels.

Non-GAAP software revenue growth reached 16% and non-GAAP total revenue increased 14%, both figures excluding currency effects. Our software performance was well supported by double-digit constant currency software revenue growth of our major brands in design, simulation and collaboration.

“We achieved a good level of revenue and earnings growth in 2007 thanks to the diversification of our product portfolio, geographic reach and sales channels.”



Bernard Charlès
President and Chief Executive Officer

Charles Edelstenne
Chairman of the Board of Directors

Our non-GAAP earnings per share grew by 8% in 2007. Had there been a stable currency environment, we estimate that our revenue activity would have led to non-GAAP EPS growth of about 19%. Instead, 2007 was our worst year for currency fluctuations since the 2002/2003 timeframe, with the U.S. dollar weakening by 9% and the Japanese yen by 10% in comparison to the comparable average annual exchange rates for 2006.

Our non-GAAP operating margin came in at 26.2% in 2007, a 0.7 percentage point decrease compared to 2006. The

impact of the weakening of the yen on our margin was equivalent to this decrease, which shows that our core business operating leverage enabled us to fund our entire channel and other key investments.

Cash flow from operations was very good, increasing 19% to €310 million during 2007.

We continued to return cash to our shareholders. Our cash dividend paid each year has, in total, approximated one-third of our net earnings.

Message from
The Chairman and the President

Investing in our Sales Channels

2007 marks the high point of our multi-year investments in transforming our go-to-market sales strategy and global organization. During 2007 we delivered solid growth in all channels while minimizing disruption, increasing sales capacity of our channels and achieving promising results in emerging countries as a result of our increased sales coverage of these markets.

Focused on large companies in the PLM market, our Business Transformation Channel represented approximately 55% of our total revenue during 2007 and achieved double-digit non-GAAP software revenue growth excluding currency effects. We address this market with our partnership with IBM, which dedicates a sales organization to market our PLM products to large accounts under a territory management plan, and with our own direct sales organization which is now equivalent in size to that of IBM PLM.

Our PLM Value Channel has been the area of most focus and investment. During 2007, this channel represented approximately 25% of our revenue and achieved solid non-GAAP software growth excluding currency effects. We have been taking responsibility for our PLM Value Channel according to a carefully planned roadmap and will complete this transition leading to indirect distribution of our PLM products in 60 countries during 2008.

In the Mainstream 3D market, our Professional Channel accounted for 20% of our sales during 2007 and grew non-GAAP software revenue 14% excluding currency effects. This channel, which has had phenomenal success with our SolidWorks software products, is now becoming a multi-brand channel. After PDMWorks and COSMOSWorks, it started selling in early 2008 3DVIA Composer, our new desktop authoring system for 3D interactive product documentation and training. Based in part upon our acquisition of Seamage SA, this new product is offered to customers in PLM and in Mainstream 3D.

Investing in our Product Portfolio

Consistent investment in our product portfolio is a distinguishing feature of DS, and the return on our investments is clearly demonstrated by the performance of our major brands during 2007.

CATIA non-GAAP software revenue in constant currencies increased 11% on a constant perimeter basis, and 14% including the 2007 acquisition of ICEM Ltd. CATIA is benefiting from increased leasing activity and growth in maintenance. We are seeing good interest in CATIA PLM Express in the mid-market.

Mainstream 3D non-GAAP software revenue increased 14% in constant currencies led by SolidWorks growth in both new seats and maintenance revenue. In total, 2007 was a record year for SolidWorks, demonstrating the strength of its performance while undertaking a reorganization of its channel in Japan, which represents an important portion of its business.

ENOVIA's non-GAAP software revenue growth of 32% in constant currencies reflected the benefit of our three products families within ENOVIA as well as the perimeter effect from the inclusion of MatrixOne, Inc. for a full year following its acquisition in 2006. We had good support from our core industries and achieved key new wins in target industries including high-tech and apparel.

“The return on our investments is clearly demonstrated by the performance of our major brands during 2007.”

“We enter 2008 well-positioned to address the priorities of customers in the markets we serve and to be a closer partner to them.”

SIMULIA posted a record year for revenues with customers increasing the size of their usage of our simulation software.

DELMIA had many prestigious new customer wins in 2007, and made good progress with its Automation product line.

During 2007 we introduced our newest brand, 3DVIA, leveraging the power of 3D to enable consumers and professional communities to imagine, share and experience consumer products and services through online services. With 3DVIA, our goal is to give everyone the opportunity to contribute to real life through original 3D experiences online.

In January 2008 we introduced our PLM 2.0—PLM online for all—based on our next generation Version 6 platform. V6 is about harnessing collective intelligence—breadth and depth of collaboration—from online communities and helping companies, via networked PLM solutions, capitalize on their most important asset: innovation.

Our V6 platform is designed to advance key strategic priorities of our customers with all types of products and business process requirements. A true workhorse in a heterogeneous environment, our open architecture enables customers to utilize V6 and enjoy an easy integration with other existing legacy PLM systems as well as with other enterprise systems such as ERP and CRM. We anticipate starting a new product cycle with the introduction of our initial V6 PLM portfolio in mid-2008.

2008 Outlook

The progress we have made serves as a solid underpinning for our 2008 revenue and earnings per share growth objectives. Moreover, we believe we are in position to re-ignite operating margin growth after three years of very active investments and are targeting an improvement for 2008.

Our objectives are based upon the anticipated growth opportunities in our core and target industries, in the various geographic regions and as a result of the capacity increases in all our sales channels. We have visibility on more than 60% of our software revenue – from our large base of recurring software revenue, from our multi-year contracts with large customers, and from the current opportunities we see with customers across a number of industries. Naturally we can't predict the future, but we believe our financial model is a resilient one that should help us navigate through 2008, not only for the reasons above but also because we have very minimal exposure to the financial services and real estate industries.

In summary, 2007 was a good and dynamic year for Dassault Systèmes. We enter 2008 as a substantially stronger company, well-positioned to address the priorities of customers in the markets we serve and to be a close partner to them as our software helps customers improve their innovation, collaborate in a global environment and create products more cost efficiently.



Bernard Charlès
President and Chief Executive Officer



Charles Edelstenne
Chairman of the Board of Directors

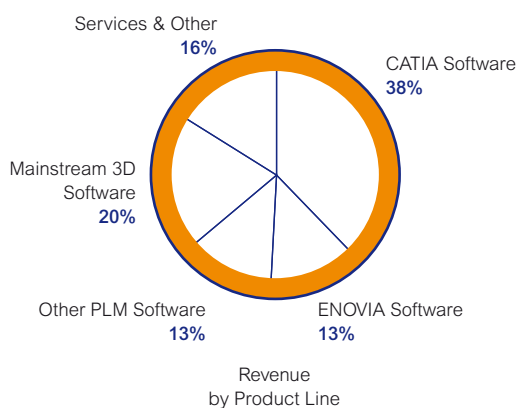
* Non-GAAP financial information excludes the effect of adjusting the carrying value of acquired companies' deferred revenue, amortization of acquired intangibles, stock-based compensation, and one-time tax restructuring effects, as applicable.

Dassault Systèmes at a Glance

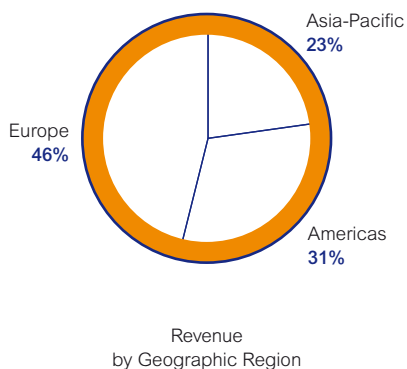
Our Six Brands

- SolidWorks** For productive and easy-to-use 3D mechanical design
- CATIA** For virtual product design
- SIMULIA** For virtual testing
- DELMIA** For virtual production
- ENOVIA** For global collaborative lifecycle management
- 3DVIA** For online 3D lifelike experiences

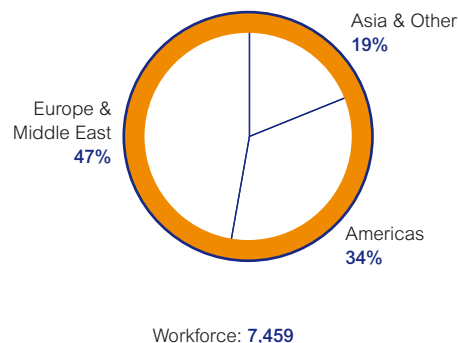
A Diversified Portfolio



A Diversified Reach



A Diversified Group



Summary Balance Sheet Highlights

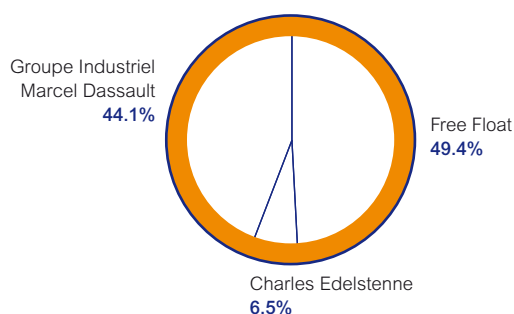
(in millions of euro)	2006	2007
Cash and short-term investments	459	627
Other assets	1,397	1,324
Total assets	1,856	1,951
Total liabilities	746	755
Shareholders' equity	1,110	1,196
Total liabilities and shareholders' equity	1,856	1,951

Summary Cashflow Highlights

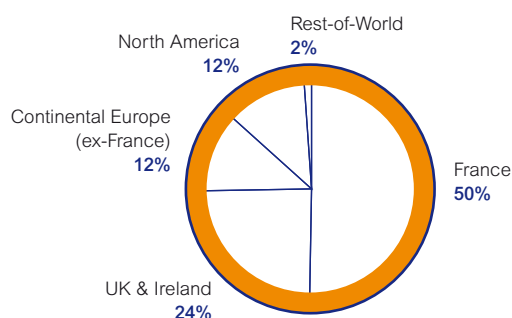
(in millions of euro)	2006	2007
Net cash provided by operating activities	260	310
Net cash used in investing activities	(269)	(87)
Net cash (used in)/provided by financing activities	125	(3)

Dassault Systèmes and its Shareholders

Shareholders' Composition
(as of February 29, 2008)



Split of Free Float
(Identified Institutional Investors as of December 31, 2007)



Stock Data

Euronext – Compartiment A; NASDAQ; Euronext 100; SBF 80; IT CAC 50; CAC IT 20; CAC NEXT 20

Share price at December 31, 2007 **€40.49**

Stock market capitalization at December 31, 2007 **€4.8 billion**
\$6.9 billion

Stock price performance
Euronext **+1%**
NASDAQ **+11%**

Number of outstanding shares at December 31, 2007 **117.6 million**

Average daily volume traded on Euronext **536,419**

Key 2008 Shareholders' Events

Tuesday, April 29, 2008
Release of First Quarter Earnings

Thursday, May 22, 2008
Annual Shareholders' Meeting

Thursday, July 31, 2008
Release of Second Quarter Earnings

Wednesday, October 29, 2008
Release of Third Quarter Earnings

Shareholders' Contact
Tel.: 33 (0) 1 40 99 69 24/Fax: 33 (0) 1 55 49 82 55
Email: investors@3ds.com
Information for Investors:
<http://www.3ds.com/corporate/investors>

Setting the Stage for DS 2.0

Delivering strong revenue growth despite a difficult currency environment:

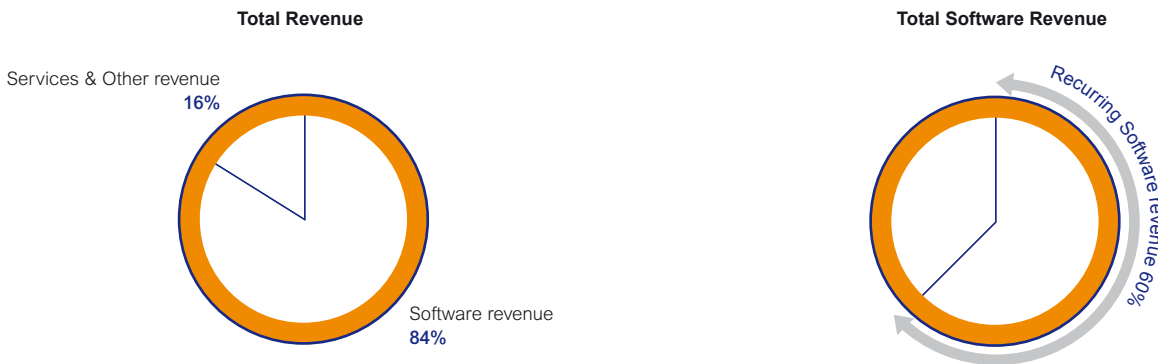
(in millions of euro)	– US GAAP –			– Non-GAAP ⁽¹⁾ –		
	2007	Growth	Growth in cc ⁽²⁾	2007	Growth	Growth in cc ⁽²⁾
Total revenue	1,258.8	9%	15%	1,275.9	8%	14%
Software revenue	1,063.3	10%	16%	1,080.4	10%	16%
Services and other revenue	195.5	0%	6%	195.5	0%	6%

Thanks to our diversification strategy:

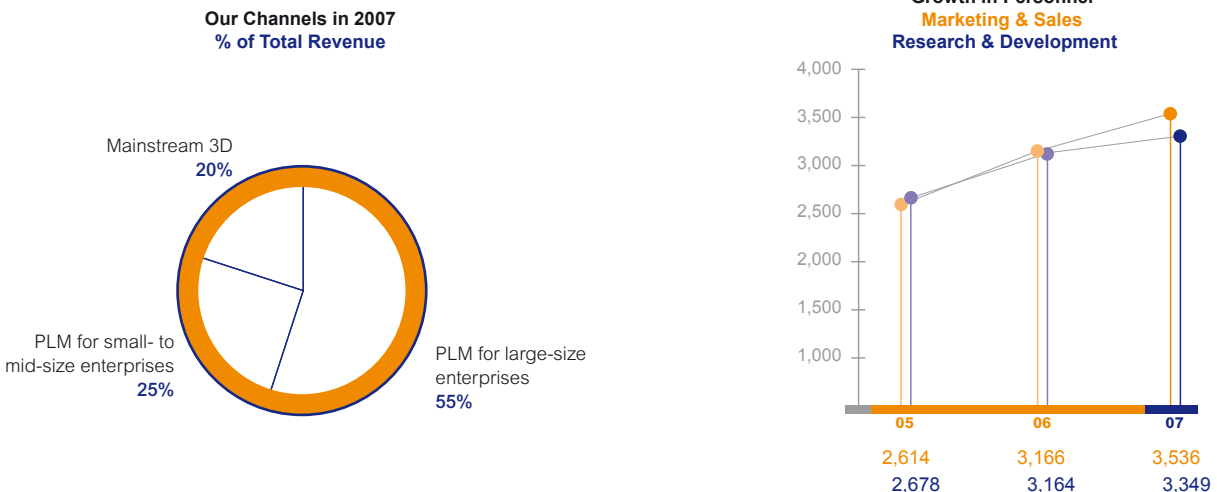
2007 Revenue Growth in Constant Currencies

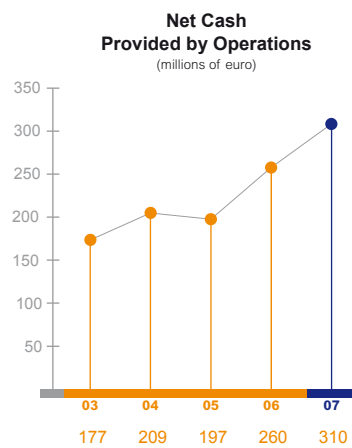
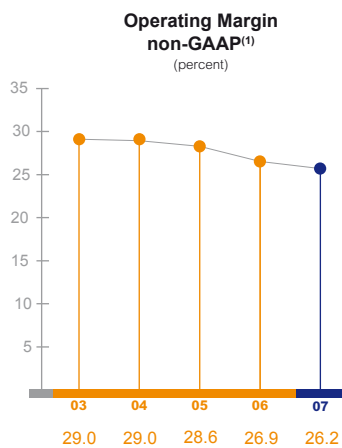
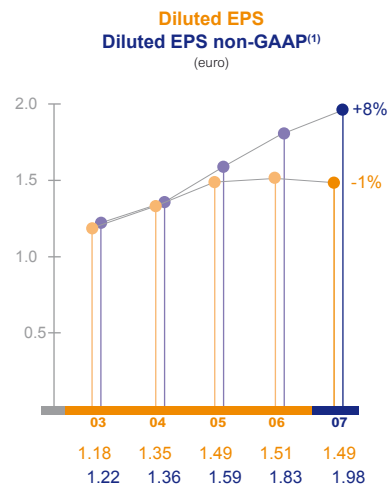
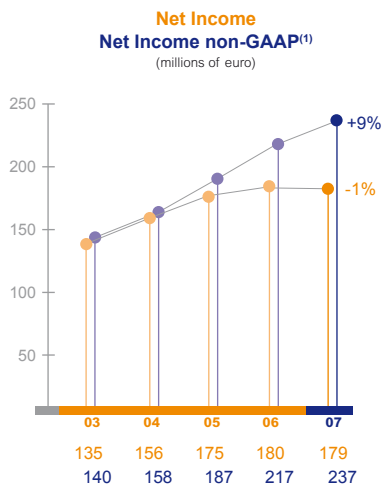
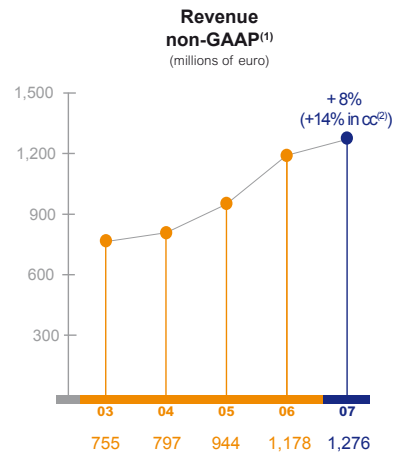
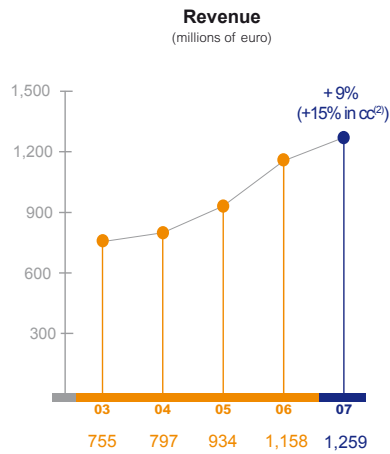
	US GAAP	Non-GAAP ⁽¹⁾		US GAAP	Non-GAAP ⁽¹⁾
Asia-Pacific	+24%	+24%	CATIA Software	+12%	+14%
Americas	+20%	+19%	ENOVIA Software	+37%	+32%
Europe	+6%	+7%	Mainstream 3D Software	+15%	+14%

And stability provided by our long-standing financial model:



Transforming our sales channels to better capture market opportunities and investing to bring greater value to our customers:






(1) Non-GAAP financial information excludes the effect of adjusting the carrying value of acquired companies' deferred revenue, amortization of acquired intangibles, stock-based compensation, and one-time tax restructuring effects, as applicable.
 (2) Constant currencies



MAKE YOUR





DREAMS A REALITY

Create the Future

DS is accelerating the power of 3D to new levels of visual realism, creating a universal communication medium to support every stage of a product's lifecycle, from initial concept via manufacturing to consumer evaluation. More companies can now innovate better because they can envision their products as digital objects that can be honed to perfection before they reach the factory. And our 3D vision is attracting online social communities to our platforms, enabling a new generation of end users to flex their imaginations in the pursuit of design excellence in every walk of life.

Turning 3D into Lifelike Experience

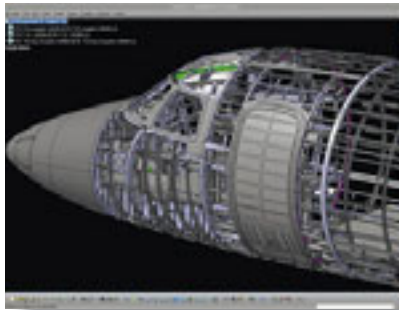
Our vision is that 3D opens the door to the world we imagine. For the past 26 years, DS has pursued a consistent strategy of integrating innovative technologies into our solutions in order to reach the sixth and current step in our evolution: Lifelike Experience.

2D to 3D



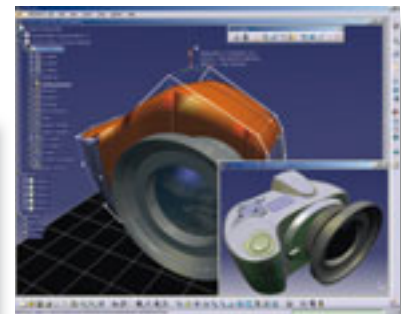
Our first step was to enable our customers to migrate from 2D to 3D.

Digital Mock-Up



Then the Digital Mock-up was created using the Virtual Product Model.

Product Lifecycle Management



In 2000, we invented Product Lifecycle Management (PLM), based on our Product, Process & Resource associative model.

3D

From 3D to Digital Mock-up...

1981

1994

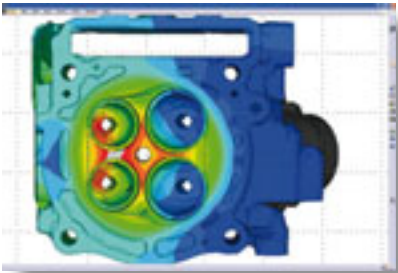
2000

Lifelike Experience



Lifelike Experience brings all of these technologies/solutions together, offering online PLM 2.0 collaboration to our communities of companies and consumers.

Realistic Simulation



Realistic Simulation allows digital testing of the exact behavior of products in the real world.

Collaborative Business Processes



Collaborative Business Processes ensure global collaboration between users.

PLM 1.0

PLM 2.0

... to Product Lifecycle Management

2005

2011

A Conversation with

Bernard Charlès, President and Chief Executive Officer,
& **Dominique Florack**, Senior Executive Vice President,
Products – Research & Development

3D Lifelike Experience for a Better World

How does the potential of the virtual world drive the DS vision today?

Bernard Charlès With its capacity to render a lifelike experience of objects, Dassault Systèmes' 3D virtual world is a very powerful environment for the entire product development process, from design through manufacturing to selling. It helps everyone involved to identify technical dead-ends quickly and redeploy their energies and ideas using the universal language of 3D. As a result, companies can improve their industrial performance and hone their competitive edge. By virtue of the accuracy of our 3D technology to test and experience in the virtual world, our customers can almost guarantee that a product will work as planned. And we are the only player on the planet to have achieved this.



We must ensure that experiencing the product virtually has a higher value for society than the cost of actually producing it.

The virtual world has two key powers. One is the capacity to connect people, so that an organization can capture and catalyze everyone's knowledge in a collaborative effort of the imagination that was previously impossible. The second is its ability to evaluate the total ownership cost and optimize a product as a social good. We must ensure that experiencing the product virtually has a higher value for society than the cost of actually producing it.

Our long-term dream is to be able to contribute to social progress along these two dimensions of lifelike experience. Ultimately we want people to experience the fun of visiting a "real" store on the Champs-Élysées via lifelike 3D online without getting into the car and fighting the crowds in the real world!



Our technology brings creators, collaborators, and consumers together.

How can you give a voice to each community?

For many companies, the first challenge is making sure that different disciplines can participate in the design and manufacturing of the product before it is too late for them to contribute. This means collaboration across enterprises.

Second, far-flung partners must be involved in the process at the right time through multidisciplinary collaboration across partner networks.

And third, our 3D vision can now bring end users – consumers – into the equation. Online social networks enable all community members to contribute to a product or service.

Our technology can bring all these voices together by making everyone see, experience, and analyze via the virtual world.



Bernard Charlès
President and Chief Executive Officer

Dominique Florack
Senior Executive Vice President,
Products – Research & Development

“We expect our lifelike experience technology to become truly pervasive, acting as a world-changing force through design communities.”

How can DS contribute to building “social design” communities?

Onscreen virtual objects are becoming so lifelike that everyone – especially consumers – can interact easily with a 3D world. We would like consumers to actually influence a product in terms of its materials, shape, and footprint.

However, this introduces a challenging new stage for the world of manufacturing, and will involve a massive transformation in business processes and methods. Realizing the benefits of virtual production throughout the value chain will clearly take time. So we first expect to see

lifelike experience bring value to such niche applications as marketing and product support.

Ultimately, however, we believe that our universal 3D media will help build online communities where people will come and say “Hey, I’m a designer, I have a great idea!” To capitalize on this Web 2.0 potential for “social design,” we’ll launch a number of compelling pilot projects and showcases within the next three years. In the longer term, we expect our lifelike experience technology to become truly pervasive, acting as a world-changing force through design communities.

How did DS take lifelike experience to market in 2007?

Dominique Florack This has been a remarkable year for bringing our 3D vision to fruition. First, we announced and delivered 3DLive, a lightweight application offering a powerful interface for imagining, chatting, visualizing, and making collective decisions, all in 3D. This is our first step in helping customers to align the virtual with the real, and making PLM something you can simply see.

To further expand the limits of social networking, we delivered the 3dvia.com community-building Web site in June. We also rolled out our new brand, 3DVIA, for online 3D lifelike experiences. This forms part of our partnership with Microsoft Corp. called Virtual Earth-3DVIA whereby, for example, Web users can design a house in 3D embedded in an online version of the real world. For us, this new type of visibility will create and grow an ecosystem of users and developers.

For our core customers, we now have a huge portfolio of 600 products. These cover a broad range of detailed processes for 11 different industries and many sub-industries, positioning DS as the provider of PLM solutions with a very appealing, tailored value proposition for almost any industry.

We have extended 3D PLM solutions into new markets such as high-tech, consumer packaged goods, and life sciences, each with their special requirements, and have won a number of major new customers. They are benefiting from almost all of our solutions, from design through simulation to manufacturing. And now they can move into the lifelike virtual shopping experience as well.

The emerging market of services is another developing sector. Customers ranging from banking and insurance to telecoms operators are finding they need PLM to help manage the enormous lifecycle complexity of their assets and products.

From a technology perspective, we announced our new ENOVIA collaboration platform, based on MatrixOne technology. Our plan is for this to become the central platform for any full PLM system in the future. As always, we are committed to our customers and to the community to delivering the most realistic virtual world for product development. These 2007 advances represent a major step in this direction.



We are committed to our customers and to the community to delivering the most realistic virtual world for product development.

How does your Research & Development agenda reflect these changing priorities?

Our R&D focus will evolve. We'll naturally continue to improve and integrate our core technology portfolio, especially by enabling our industry customers to leverage their existing assets as productively as possible. But we also have to address the new, more consumer-centric potential of "social design."

This will give rise to two kinds of online Web sites: one to support the universal media of 3D (3dvia.com); the other to provide end-to-end PLM to support industrial customers in each separate field. All our software products will be distributed seamlessly as online services.

Overall, our new R&D effort will be dedicated to delivering and optimizing the infrastructure to generalize lifelike experience online.

In which ways does the DS portfolio address the broader issue of sustainable development?

Dominique Florack We are more than ever focusing on ways to deliver competitive advantage to our customers. That means confronting ecological challenges. We help them capitalize on and re-use their existing intellectual property to avoid unnecessary reinventions of the wheel. We also help to quickly reduce the total cost of ownership of their technology. And above all we continuously deliver new capabilities that help our customers make better, more fuel-efficient, less wasteful products that support meaningful sustainable development.

Bernard Charlès Our 3D vision speaks directly to a more environmentally-aware world, especially by providing a systematic way to select materials, and simulate, test, and manufacture new products in a virtual environment. This offers a very powerful platform for rolling out a socially-responsible approach to production strategies.

Another, deeper dimension, which is very close to my heart, is the learning process that can promote a better world. Through a lifelike yet playful experience, children will be able to explore, understand, and experiment intuitively with design, from inside a virtual lab. My dream is that we can provide a compelling new environment for more effective and enjoyable education in technology and science.

In conclusion, my definition of Dassault Systèmes is our ability to make sophisticated mathematic and scientific models user-friendly. Our 3D agenda is designed precisely to help people build and test models of a better life, through the extraordinary fusion and confusion of the real and virtual worlds.



Our 3D vision speaks directly to a more environmentally-aware world.

Our R&D Community

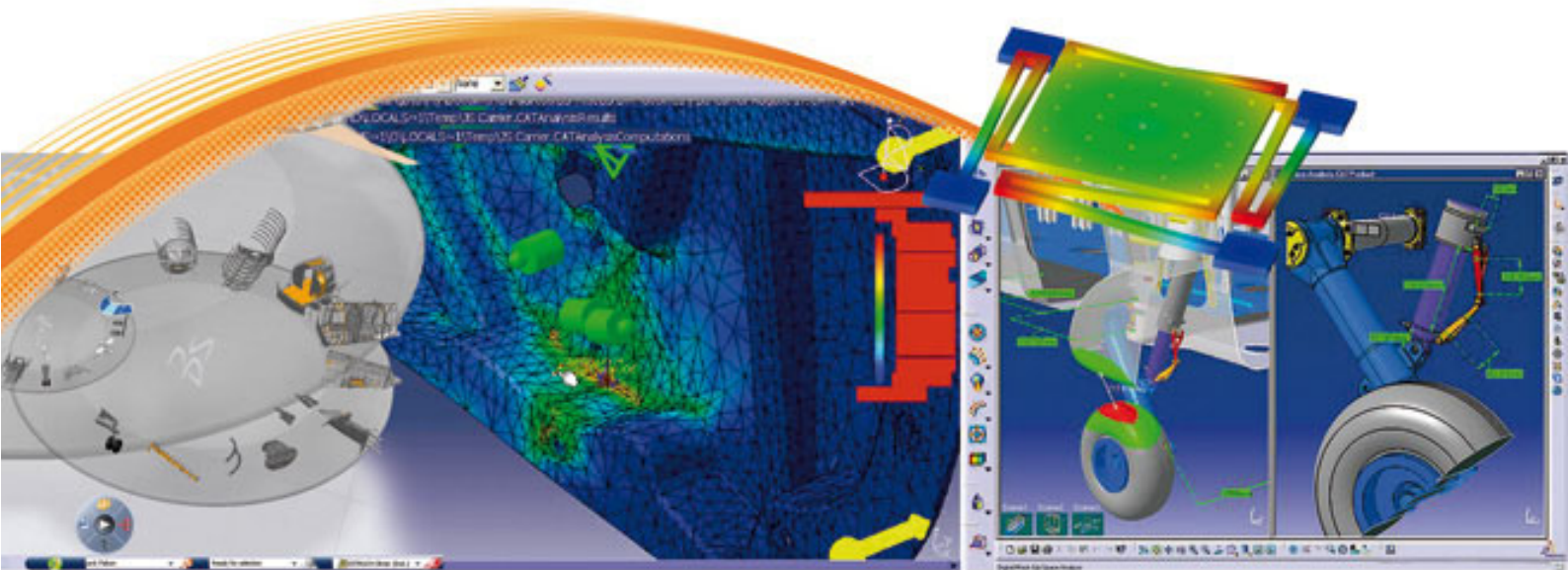
Dassault Systèmes is wholly dedicated to enabling and transforming its customers' own best product innovation practices through the concerted efforts of its community of 3,300 research scientists.

"Passion for Innovation" is the DNA that drives our research and development efforts. It can be understood as a twofold way to create the future. First, by constantly re-visiting, re-inventing, and raising the bar of current state-of-the-art technologies, DS is on the leading edge of 3D and PLM arenas, always fueling new added value for our core markets. Second, the motivation of our engineers and researchers is really about learning new domains, acquiring new knowledge, and cross-fertilizing sectors in order to effectively deliver the world's best and most unique technologies serving diverse industries. Learning and inventing for our customers' successes is our motto.

Our community of highly-skilled engineers and researchers constantly interacts in a global collaborative environment,

with corporate R&D laboratories connected throughout the world, and energizes an open innovation ecosystem with customers and partners and through key research partnerships. Those research partnerships strongly interlink teams in universities (such as Massachusetts Institute of Technology or Ecole Polytechnique), and research organizations (such as the German DLR or the French INRIA) and standards entities to share knowledge and create next-generation technologies and products.

We are committed to inventing tomorrow, fostering new technologies to put innovation at the heart of future products, and enabling customers' business transformations in all industrial segments. Our only limitation is our imagination...



A Year of Innovations

During 2007, DS delivered a wealth of new functionality as part of its ongoing R&D program to improve the PLM experience, creating new value for customers, and inventing a new era in 3D communication.

May 2, 2007

Availability of 3DLive, our revolutionary lightweight PLM solution, leveraging the full power of real-time 3D through an intuitive user interface to search, navigate, and collaborate online. It puts product intellectual property (IP) at the fingertips of everybody involved in PLM activities, wherever they are.

May 9, 2007

Introduction of ENOVIA MatrixOne 10.7.1, a major breakthrough in the delivery of its Service-Oriented Architecture (SOA) vision for PLM. Comprising enterprise data warehouse infrastructure and middleware, collaborative business process applications, and industry-specific accelerators, this unique solution supports 11 vertical industries, and meshes seamlessly with the 3DLive platform.



June 18, 2007

Unveiling of SolidWorks 2008, the newest version of the leading 3D CAD software, delivering a new intuitive, time-saving user interface and impressive 3D graphics to accelerate better product design.

June 26, 2007

Launch of the 3DVIA brand for online 3D lifelike experiences, and introduction of the 3dvia.com Web site, offering opportunities for non-specialists to experiment with a new generation of design tools.

September 25, 2007

Availability of Version 5 Release 18 of our PLM portfolio. V5 R18 delivers unrivalled collaboration opportunities for engineers and product users, and accelerates PLM adoption for companies of all sizes with industry solutions. It also leverages and extends our SOA openness, and delivers enhanced IP protection.

November 29, 2007

Introduction of 3DVIA Composer V6 R1, DS's new desktop product documentation authoring system in the field of 3D interactive product documentation.

January 24, 2008

Launch of V6, DS's next generation platform for PLM 2.0. PLM 2.0, PLM online for all, is a 3D online environment for everybody to experience products virtually where all user interactions generate IP. In conjunction with the announcement of V6, **ENOVIA MatrixOne 10.8** was introduced, a major step in our ENOVIA strategy and the first V6 enabled solution in support of PLM 2.0. It is the foundation of our single PLM platform for all customer business processes in all industries.



May 15, 2007

Release of SIMULIA's Abaqus 6.7 Extended Functionality, a cutting-edge suite of leading finite element analysis software that pushes advanced simulation technology to new levels of power and accuracy for testing materials behavior under real-world conditions.

October 18, 2007

Launch of Microsoft Virtual Earth-3DVIA, a free online application based on DS's 3DVIA shaping technologies, enabling users to design buildings and structures immersed in a virtual version of the planet and share them through online communities.



Customer-Driven Initiatives

New Industries, New Geographies

In 2007, we delivered added value to customers in a broadening range of industries and locations around the world. We help them transform their processes to better address competition, and we partner with them in developing software solutions that meet their specific needs.

GROWING OUR INDUSTRY COVERAGE

We made significant inroads in the consumer goods and life sciences industries, as well as in other recent converts to PLM such as high-tech companies making electronic goods.

High-tech

Westcode Semiconductors Ltd., one of the world's major manufacturers of high-performance power semiconductor products, chose SolidWorks software for its part modeling, assembly modeling, and drawing capabilities. Westcode can now submit a quote in two days and, if the customer is interested, rapidly generate an individual drawing for each component, thus saving time, lowering costs, reducing errors, and increasing assembly sales.

Sony Ericsson Mobile Communications is using DS PLM solutions to replace numerous legacy systems with a single development operations platform.

Life Sciences

DS serves six of the top ten global medical companies in the world with our ENOVIA MatrixOne solution. More and more, PLM value proposals are being evaluated and endorsed, not only from the device manufacturer's standpoint but also from pharmaceutical companies. With its proven and scalable platform, ENOVIA MatrixOne is now offering solutions for key collaborative business processes such as portfolio management, new product introduction, packaging, labelling and artwork management, regulatory affairs management, supply chain management, and production control.

Key leaders such as Ipsen adopted PLM in 2007 using DS solutions. And Zygot Media Group uses SolidWorks to deliver anatomically correct 3D models of the human body for biomedical R&D, underlining how 3D, as a key format, can be used to better study, understand, and experiment.

Life sciences companies are facing huge challenges in terms of collaboration, innovation, productivity, and regulation compliancy all along the R&D pipeline. DS has been investing in this sector and is conducting a Global Research Program named "BioIntelligence," with industry leaders, to invent and deliver innovative solutions in drug design, IP management, and collaborative processes.

Apparel

Customers in the apparel industry such as Gap Inc., Guess? Inc., Michael Kors, Pacific Brands Limited, and Recreational Equipment Inc. (REI) use ENOVIA MatrixOne to streamline PLM processes.

ENOVIA MatrixOne partners with Walter Wilhelm Associates, the leading process technology consulting firm in the apparel and footwear industries, to provide customers with PLM solutions that reduce costs and time-to-market by streamlining front-end product development processes.



EXPANDING TO HIGH-GROWTH MARKETS

India is increasingly gaining a place on the PLM map, as befits a high-growth economy that has set itself on a powerful technology and manufacturing agenda.

In November 2007, we officially opened our new Dassault Systèmes India affiliate, with the aim of delivering more adequate services to such major Indian businesses as Apollo Tyres, Infosys, Satyam, and Tata Motors. These companies have adopted DS solutions to produce more innovative products, and collectively build “Future India.”

One major win in India during the year was Larsen & Toubro Ltd, a technology-driven engineering and construction company that is adopting our integrated PLM solutions for its heavy engineering division.

“L&T believes that product and process innovation are at the core of the company’s ability to compete in the global marketplace. The DS solutions will help give an enhanced focus on value creation and process simplification.”

Mr. M. V. Kotwal, director and senior executive vice president Heavy Engineering, Larsen & Toubro Ltd

China is another hive of rapidly expanding industries such as aerospace, industrial equipment, and automotive.

The Chinese aviation industry, for example, is extremely buoyant, but is now required to address complex problems such as “greening” its products and reducing fuel consumption. First Aircraft Institute, Chengdu Aircraft Industrial Group, and Xi’an Aircraft Industrial Group are therefore keenly interested in our proven aerospace PLM solutions, including CATIA Composites design software, DELMIA for virtual product manufacturing, and ENOVIA MatrixOne for business process management.

The major Chinese electrical equipment company Shanghai Electric Group also adopted SolidWorks software as its standard 3D CAD solution. At the same time, Shanghai Jiao Tong University increased its student user base in SolidWorks training.

In **Latin America**, CATIA, DELMIA, and ENOVIA are helping Brazilian aerospace company Embraer to assemble the Phenom 100, its newest executive jet, with zero cost and time-consuming design or manufacturing errors. Design accuracy enabled the firm to maintain a testing and production schedule that will meet the goal of getting the Phenom 100 into full service in 2008.

The Brazilian aerospace company ELEB is also expanding its CATIA and ENOVIA SmarTeam implementations to reduce product development time and improve quality.



Customer-Driven Initiatives

A New Agenda for the DS Go-to-Market Model

We have developed both direct and indirect sales strategies to address the needs of the various industries that we serve, continuing with direct sales for our large accounts, and using a dynamic network of proven value-added resale partners for the mid-market and smaller professional users of our brands.

Our substantial sales representative capacity for building and sustaining a consistent multi-year dynamic in all our territories makes our approach unique. In 2007, we successfully reorganized our long-standing strategic relationship with IBM to further optimize our respective strengths. Under the terms of a new marketing and sales agreement, both DS and IBM have expanded the scope of their responsibilities, with IBM selling a broader portfolio of our PLM solutions to selected large enterprise customers, and DS progressively assuming full responsibility for marketing to smaller-sized, new adopter customers.

The DS Business Transformation Channel

This is the DS direct marketing and sales channel, dedicated to medium to large companies, most of which are reference players in our 11 target industries. As our largest sales channel for PLM solutions, it operates in a successful partnership with IBM, as it has since the inception of the company. The PLM solutions that reach the market via the Business Transformation Channel tend to be complex and highly customized, and require the expertise in business processes and technologies of our integration consultants.



To make it easier for new customers to benefit quickly from PLM value, we have developed a portfolio of **Business Process Accelerators**. These solutions help customers transform best practices in their industry into standardized software solutions to boost return on investment (ROI). We then make these available as packages inside our brands. Over 100 global customers are already using DS process accelerator solutions.



The DS PLM Value Channel

Targeting smaller to mid-market companies, this indirect channel operates with value-added reseller business partners to deliver end-to-end PLM solutions, from design to manufacturing. After growing for two years, it became a wholly-owned DS operation in 2007. We are now responsible for the direct oversight and support of the marketing and sales partner network in 25 groups of countries worldwide, and expect to complete the transition to all countries in 2008. As a result, the sales capacity of our most dynamic market grew by 20% in 2007.



As the PLM agenda spreads rapidly through new adopter communities in new industries, the PLM Value Channel is also responsible for marketing our expanding portfolio of **PLM Express** products. These are designed as tailored, off-the-shelf packages dedicated to specific industries and processes. They can be quickly implemented without the need for very large-scale IT infrastructure, and assure a rapid ROI. The main growth industries in this market are automotive and aerospace, followed by industrial equipment, and then shipbuilding and consumer packaged goods.

The DS Professional Channel

With a business partner network of more than 300 small teams of value-added resellers and distributors worldwide, our Professional Channel focuses on volume sales of our products (including training) to smaller companies that can benefit from 3D. Today it sells primarily SolidWorks products but the range is expanding to new products in the 3D portfolio, such as 3DVIA Composer. Due to the growing demand for easy-to-use 3D solutions, we increased sales capacity in this channel by 20% in 2007.

The DS Online Channel

This is a new Web-based software-as-a-service sales channel designed to build the end-user communities of the future and promote 3D as a universal medium. In 2007, this breakthrough strategy began with the creation and promotion of 3dvia.com, a platform that enables professional and amateur end users to imagine, create, and share the experience of 3D designs, videos, and animations online using such free-of-charge products as 3DVIA Shape. In the longer term, 3dvia.com will host DS's own customers' 3D applications and make them available to other customers, thereby seeding the market with compelling 3D experiences through social network techniques.



Imagine, Share & Experience

Our brands have long played a key role as business transformers in manufacturing industries. With their numerous product offerings built around an open platform, each brand attracts strong loyalty while integrating seamlessly with the other DS brands. Powerful tools for creating and testing products virtually, they link stakeholders intuitively into the information flow and enable everyone to visualize the results in realistic contexts of use. Today, this end-to-end 3D mastery of processes, combined with new technologies providing a true lifelike experience of all products created, is opening up new vistas for modeling, manufacturing, and even marketing.



Our First-Class Brands

The combined power of our solutions accelerates innovation, quality, cost control, and time-to-market for enterprises large and small.

SolidWorks

SolidWorks develops and markets powerful, easy-to-use 3D mechanical design solutions for companies of all sizes. All SolidWorks software products work together using the same design data, so each change is updated automatically across all applications. SolidWorks Office Premium provides all the design engineering, data management, and communication tools a design team needs in a single package – the first 3D computer-aided design (CAD) software suite to bring the power of solid modeling into a native Windows environment at an affordable price. Users can develop any drawing or part; create large assemblies; and convert 2D designs to 3D solid models.

CATIA

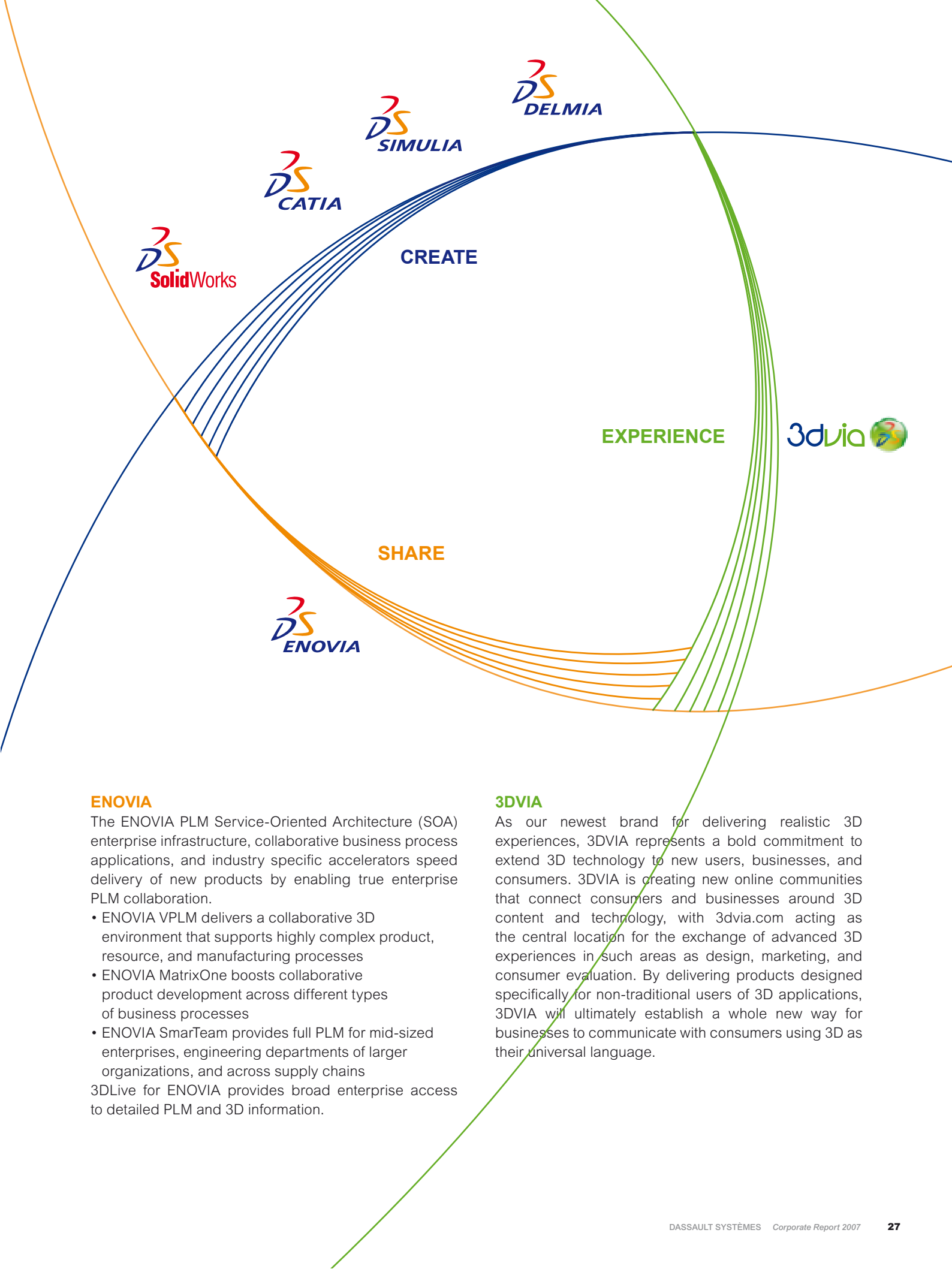
CATIA, our flagship PLM product, is the world's leading solution for full virtual product design. It addresses the complete product development process from product concept specification through product-in-service. Facilitating true collaborative engineering across disciplines, CATIA includes style and shape design, mechanical design, equipment and systems engineering, digital mock-ups, machining, analysis, and simulation. It drives engineering transformation to leverage innovation by putting imagination at the heart of the enterprise. CATIA's strong, dynamic, and tightly-knit network of more than 100 partner companies enriches our product offering and technology through an extensive set of complementary specialized applications developed on DS's open Component Application Architecture (CAA) platform.

SIMULIA

SIMULIA delivers a scalable portfolio of realistic simulation solutions including the Abaqus product suite for unified finite element analysis, multiphysics solutions for insight into challenging engineering problems, and SIMULIA Simulation Lifecycle Management for managing simulation data, processes, and intellectual property. Manufacturing companies in all industries leverage the advanced simulation technology and methods developed by SIMULIA to accelerate the evaluation of their products' real-world behavior in a virtual environment. By building on established technology, respected quality, and superior customer service, SIMULIA makes realistic simulation an integral business practice that improves product performance, reduces physical prototypes, and drives innovation.

DELMIA

DELMIA ensures production performance by enabling manufacturers to digitally plan, create, validate, and control manufacturing processes. Engineers, management, and stakeholders can visualize, change, and optimize shopfloor operations, and identify and eliminate costly errors and design mistakes. DELMIA applications cover manufacturing processes for the automotive, aerospace, shipbuilding, and most other manufacturing industries. DELMIA Automation breakthrough technology delivers a realistic and intelligent virtual environment to debug, validate, and interact with the programmable logic controller (PLC) that operates complex systems ranging from packaging machines to factory assembly lines to elevators.



CREATE

EXPERIENCE



SHARE



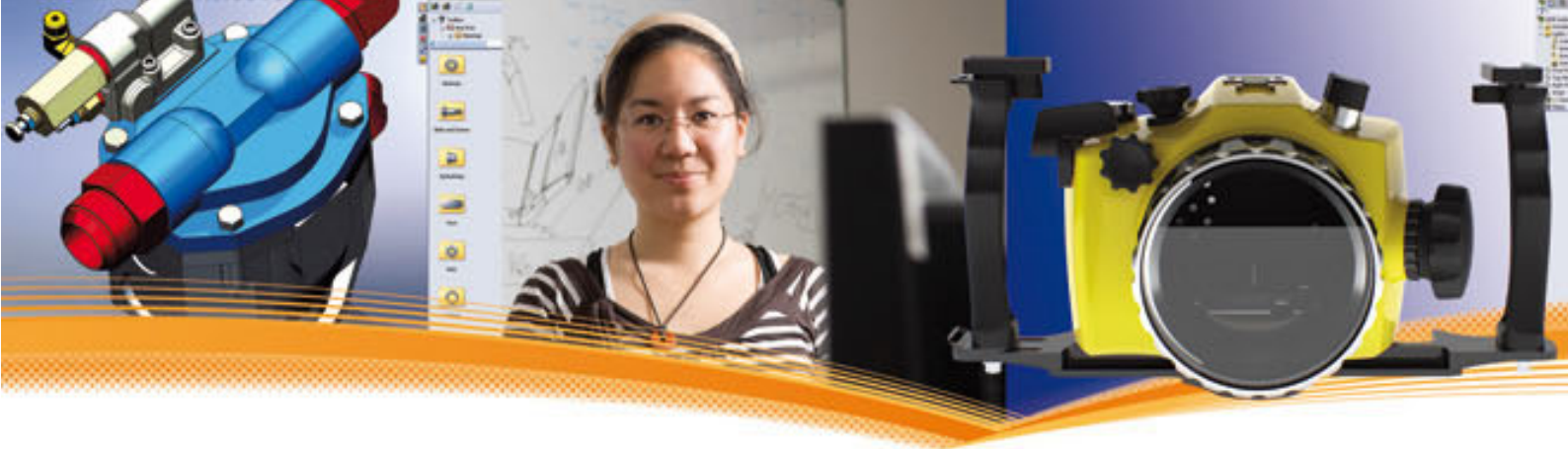
ENOVIA

The ENOVIA PLM Service-Oriented Architecture (SOA) enterprise infrastructure, collaborative business process applications, and industry specific accelerators speed delivery of new products by enabling true enterprise PLM collaboration.

- ENOVIA VPLM delivers a collaborative 3D environment that supports highly complex product, resource, and manufacturing processes
 - ENOVIA MatrixOne boosts collaborative product development across different types of business processes
 - ENOVIA SmarTeam provides full PLM for mid-sized enterprises, engineering departments of larger organizations, and across supply chains
- 3DLive for ENOVIA provides broad enterprise access to detailed PLM and 3D information.

3DVIA

As our newest brand for delivering realistic 3D experiences, 3DVIA represents a bold commitment to extend 3D technology to new users, businesses, and consumers. 3DVIA is creating new online communities that connect consumers and businesses around 3D content and technology, with 3dvia.com acting as the central location for the exchange of advanced 3D experiences in such areas as design, marketing, and consumer evaluation. By delivering products designed specifically for non-traditional users of 3D applications, 3DVIA will ultimately establish a whole new way for businesses to communicate with consumers using 3D as their universal language.



Easy-to-Use 3D CAD Software

SolidWorks provides all the design engineering, data management, and communication tools a design team needs in one complete package.

SolidWorks 2008, the latest release of SolidWorks Office Premium, is packed with user-driven innovations. With more than 200 enhancements—and over 90 percent of them requested by customers—SolidWorks is the clear industry leader in its market.

SolidWorks Intelligent Feature Technology (SWIFT) helps design teams work faster and smarter. SWIFT is the first technology that intuitively automates the modeling of many design features and part changes. Putting expert-level 3D CAD techniques in the hands of every designer, SWIFT simplifies even the most challenging design tasks. With Instant3D, for example, designers can edit in real time by selecting model faces, dragging them, and snapping them together using onscreen rulers. SWIFT technology also covers features like faces, edges and surfaces, dimensions and relations, tolerances, assembly performance, corner blends, and more. By simplifying the complexities of CAD, SWIFT allows designers to focus on creating great products.

SolidWorks has a strong reputation for delivering cutting-edge 3D CAD design software to educational establishments for young designers worldwide. Among the more than 100,000 SolidWorks seats sold in 2007 are 17,500 seats in the **Republic of Ireland**, and over 60,000 seats now installed at the **French Lycée and College** in France.

New clients in 2007 include **ULMA Packaging** in Spain, **FKI Logistex** in St. Louis, Missouri, and **Process Automation International Ltd.** in China, all in the industrial equipment industry; and **Dorma AG** in the consumer goods industry in Germany.



SawStop, LLC

Innovating an Injury-Reducing Table Saw

SawStop is the American inventor and manufacturer of unique, safety system-equipped table saws that dramatically reduce the risk of operator injury. The company chose SolidWorks software because it is easy to use, shortens design time, and reduces prototype costs. Not only is SolidWorks fully compatible with SawStop's manufacturing vendor community, but it provides robust surfacing, mold development, and animation capabilities as well. The company also values

the integrated PDMWorks Workgroup product data management and COSMOSXpress and COSMOSWorks Designer analysis applications.

Since deploying SolidWorks, SawStop has:

- Decreased design time by **20%**
- **Reduced** prototype costs through integrated analysis
- **Improved** marketing with rendering and animation capabilities
- **Doubled** year-over-year sales

“In addition to saving time and money by developing design data that is more compatible with our partners, the surfacing and modeling capabilities of SolidWorks allow us to produce innovative part designs much faster.”

David Fulmer, vice president of Engineering, SawStop, LLC





Design Excellence for Product Success

CATIA gives engineers the time and tools to free their imagination, empowering them to be the imagineers of tomorrow's innovative products. It enables businesses of all sizes in all industries around the world to design virtual products, from the simplest to the most complex.

The 2007 CATIA release – **V5 R18** – further improves the breath and depth of the portfolio for an extensive coverage of industrial processes:

- Empowered end-to-end process coverage for composite design to manufacturing, electrical harness design to documentation, and printed circuit board design;
- Breakthrough Auto-draft technology for powertrain and chassis designers;
- Consolidated Functional Modeling support for the design of complex machined parts extending this unique approach to more manufacturing processes;
- Digital Product Rights Management solution providing intellectual property protection to help designers share innovative ideas in 3D data with suppliers and partners outside their organization; and
- 3DLive for CATIA bringing sophisticated 3D Functional Tolerancing & Annotation to thousands of non-specialist CATIA users.

In June 2007, DS acquired **ICEM**, the leading provider of styling, high-quality surface modeling and rendering solutions, with the objective of creating the next generation of concept styling and production surfacing solutions. To underscore DS's commitment to helping customers exploit the power of design for innovation, in November 2007 DS hired award-winning design

executive Anne Asensio as vice president of **Design Experience**. DS's strategy is to provide Design Experience communities and solutions for enterprises, as well as design studios and individual designers in all industries.

CATIA PLM Express

Recognized by leading PLM analyst firm CIMdata, CATIA PLM Express is being increasingly adopted by mid-sized businesses across a wide range of industries worldwide, enabling them to compete globally, promoting collaboration, innovation, and higher quality while reducing time-to-market.

The electric car manufacturer **Tesla Motors** selected CATIA PLM Express as its product development solution for the development of its next generation electric vehicle, a 4-door performance sedan.

“As a growing company, we saw the need for a comprehensive solution that supports the entire vehicle engineering process and is scalable to accommodate our needs now as well as in the future. CATIA PLM Express, which includes ENOVIA SmarTeam and digital mock-up capabilities, provides us cutting-edge technology and capability in an unbeatable package.”

Paul Lomangino, Tesla Motors



A-dec

Automating Dental Cabinetry Design and Production

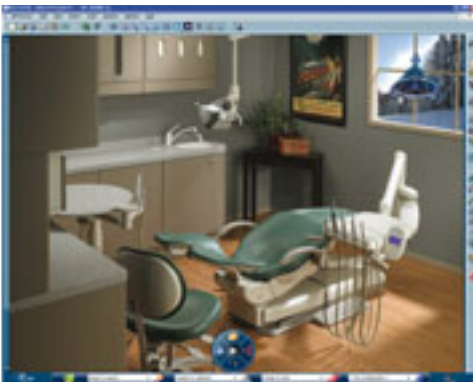
A-dec in Portland, Oregon is one of the world's largest producers of dental equipment. The dental furniture division accounts for approximately 20 percent of sales, manufacturing more than 17,000 parts per week. A-dec's primary focus is creating equipment innovations that help dentists operate in healthier, more efficient environments.

To ensure high-quality, defect-free craftsmanship, the company chose DS solutions including CATIA and ENOVIA SmarTeam. CATIA's ability to integrate design and manufacturing within a single 3D environment was a key differentiator. CATIA's knowledge-based design capabilities allow A-dec to store its standard assemblies as

design templates. When a customer's order is processed, CATIA and an in-house control application automatically configure the templates to the right size, shape, and color, eliminating data re-keying and its inherent potential for error.

The result is a fully automated system that takes an order from the sales entry to the shop floor without human intervention, removing the limits on A-dec's production capacity and freeing its designers to focus on custom orders.

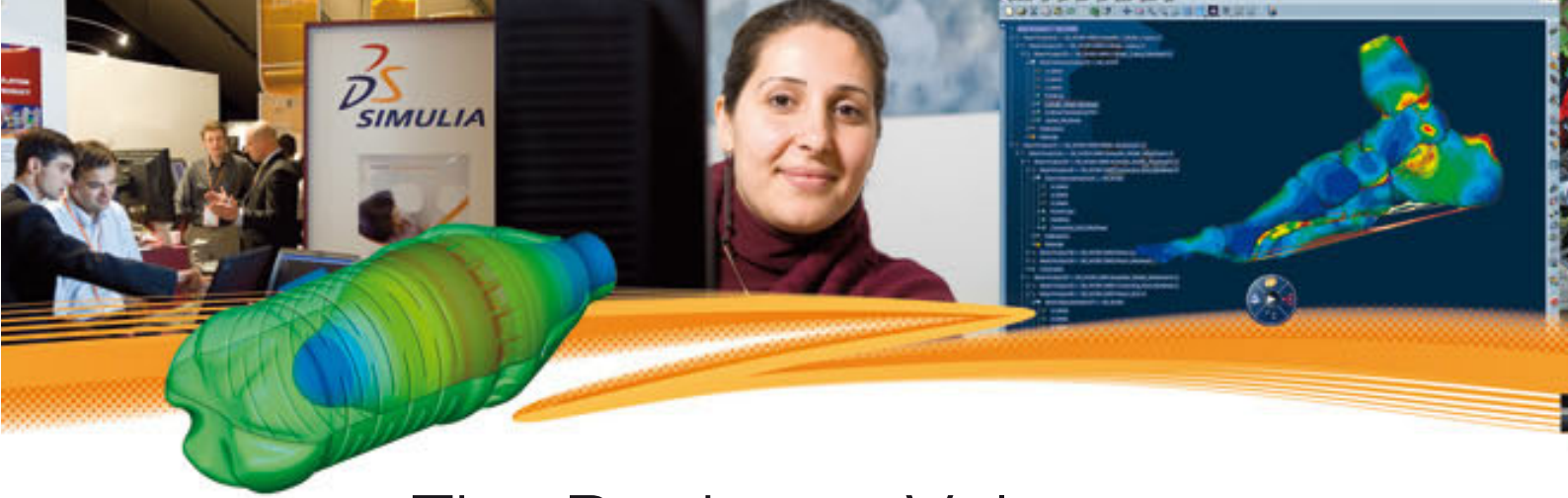
- **75%** reduction in physical prototypes, replaced with virtual mock-ups
- **100%** more design capacity
- **90%** reduction of paper-based documentation, replaced by virtual 3D models and reports



“Designing the whole product in 3D and being able to see the results of what we were doing was another major differentiator. CATIA lets us see the product virtually in 3D, eliminating the multiple rounds of prototypes we needed to find the errors. Now we’re virtually paperless.”

Chris Etzel, Staff Manufacturing engineer, A-dec





The Business Value of Realistic Simulation

SIMULIA provides a scalable portfolio of realistic simulation solutions, including unified finite element analysis (FEA), an open multiphysics framework, and tools for managing the simulation lifecycle.

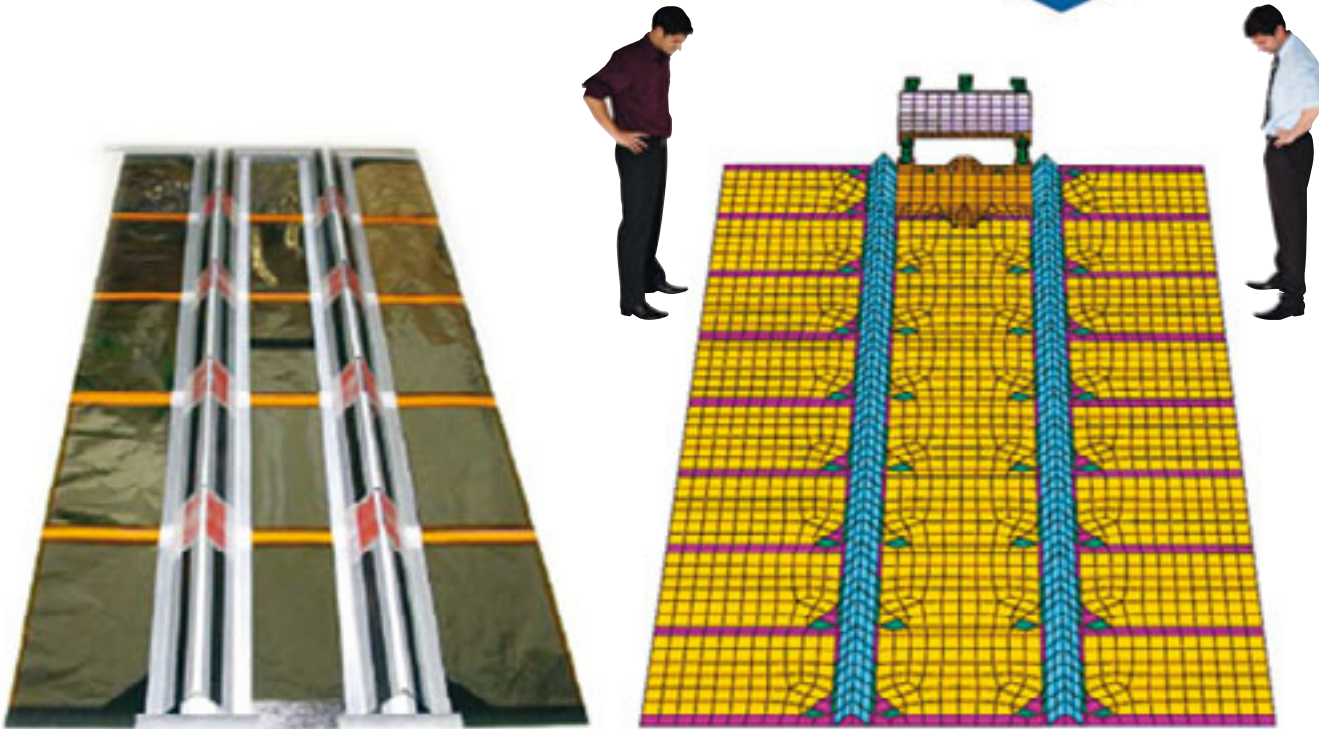
Today, product simulation is often being performed by engineering groups using niche simulation tools from different vendors to simulate various design attributes. **SIMULIA's unified FEA solutions**, including the CATIA Analysis and Abaqus FEA product suites, enable customers to consolidate their analysis software tools, which lowers cost of ownership and improves confidence in simulation results through the use of common technology and approved methods. In the automotive industry, the unified FEA approach is enabling designers and engineers to share their models to study multiple performance attributes, such as full vehicle loads, dynamic vibration, acoustics, and heat transfer, as well as crashworthiness and occupant safety.

To get simulation results closer to real-world behavior, engineers are seeking to include multiple physical attributes such as fluid flow with structural response. SIMULIA's open multiphysics framework enables engineers to integrate Abaqus FEA software with third-party partner products or customer-developed applications to simulate real-world applications such as blood flow through a heart stent.

The expanding use of realistic simulation has created the need for manufacturing companies to manage the associated data, processes, and applications, as well as secure their IP. To meet this need, SIMULIA is delivering a new solution for **Simulation Lifecycle Management (SLM)**. SIMULIA SLM leverages ENOVIA technology to connect users to each other and the enterprise. It provides access to the right information at the right time through secure storage, search, and retrieval capabilities specific to simulation processes and data. It also enables engineering groups to capture, re-use, and deploy simulation best practices. By using this cost-effective and easy-to-deploy solution, design simulation-intensive enterprises are now able to improve cross-discipline efficiencies and accelerate collaborative decision-making.

Customers across all industries are using SIMULIA technology and processes.

Apollo Tyres is reducing design cycle time and cost, while optimizing the performance of its radial tires. In 2007, **Airbus** adopted Abaqus FEA software as its preferred solution for static nonlinear FEA. And **KTM Sportmotorcycle** is using realistic simulation to ensure their new street motorcycles meet the performance expectations of their customers, without weight or quality penalties.



MicroSat Systems, Inc.

Accelerating Realistic Performance Evaluation of Lightweight Satellites

MicroSat Systems, a fast-growing U.S. provider of high-performance satellites, is accelerating the evaluation of product performance and reliability with Abaqus FEA software.

MicroSat Systems is using Abaqus to analyze the structural and thermal response of its satellite systems, which consist of a modular

bus structure; lightweight and foldable, thin-film, solar array systems; and miniaturized avionics. Realistic simulation solutions are enabling MicroSat Systems to develop a competitive product line of satellite buses that provide more payload, power, data processing, and pointing accuracy.

“With more commercial and government programs needing small satellites capable of carrying larger payloads, it is critical to our success to be able to deliver flexible satellite solutions that meet their requirements in a shorter amount of time. We selected Abaqus FEA software due to its reputation for sophisticated nonlinear simulation including pre-loads, mechanisms, and thin-shell aerospace applications.”

Todd J. Mosher, director of Advanced Systems, MicroSat Systems, Inc.



Interactive Manufacturing for the Digital Enterprise

DELMIA technology provides manufacturers a 3D visualization of the real world to create, validate, and optimize their shopfloor operations and manufacturing processes before physical commissioning.

DELMIA PLM Express is a comprehensive set of digital manufacturing solutions that makes PLM technology easily accessible to smaller businesses within the supply chain such as part suppliers, engineering firms, and tooling providers.

Frost and Sullivan selected DELMIA as the recipient of the 2007 Company of the Year Award for its pioneering technological innovations in digital manufacturing in the North American PLM solutions space.

DELMIA Automation provides a natural extension to the DELMIA PLM offering. While PLM solutions simplify and enhance end-to-end product management, Automation solutions validate and improve the internal behavior of control systems. PLM data can also be reused and integrated into DELMIA Automation for a truly powerful solution that extends beyond the product lifecycle to secure a true digital factory vision.

Rockwell Automation, a leading global provider of industrial automation power, control and information solutions, signed a memorandum of understanding with DELMIA to develop a joint solution to make an integrated virtual design and production environment a reality. This joint solution is set to redefine how mechanical engineers

collaborate with control engineers to reduce time-to-market and drive down costs. Manufacturing design will be linked to factory-floor control by integrating Rockwell Software RSLogix 5000 control programming and configuration software with DELMIA Automation PLM software. As a result, manufacturers can expect to reduce the cost of engineering and ramp-up time, and continually optimize their manufacturing operations with an accurate, real-time, simulation model.

Airbus, the European aerospace manufacturer, has chosen the DELMIA V5 Robotics digital manufacturing solution to simulate, validate, and program the robotics assembly lines for its new aircraft programs. This will allow Airbus to optimize its design and manufacturing cycle time, cut costs, and harmonize PLM tools on the DS platform. DELMIA will be the sole robotics tool used by the manufacturer by 2008. Airbus is also using DELMIA V5 Human and DELMIA V5 Digital Process for Manufacturing Assembly (DPM) tools to meet the increasing need for simulation in the field of digital manufacturing.

DELMIA Body-in-White Solution was named one of the Top 20 Technologies at the prestigious Society of Automotive Engineers Congress 2007.



Trompeter Enterprises

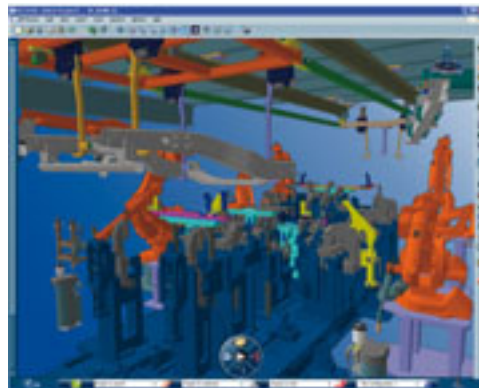
Validating Workcells Virtually

Trompeter Enterprises in Sterling Heights, Michigan specializes in the development of automated robotic simulations, providing customers with the ability to evaluate and validate all areas of its processes before design and/or build. It is part of the Automation Welding Alliance, a consortium of five companies formed to be a “one-stop” resource for automation system programming/debugging, welding, panel build, simulations, design and training for pressroom or welding and assembly manufacturing.

Trompeter uses DELMIA robotic simulation for modeling and offline programming of automated workcells. The spot welding capability offers tools to support both traditional and fixed TCP spot welding applications along with a fully functional tooling interface for the construction and simulation of tooling and fixture device clamps. Collision-free robot trajectories are automatically determined, and numerous optimization features used to reduce process cycle times.

Using DELMIA digital simulations, Trompeter was able to:

- **Decrease** the number of operators used from eight to two
 - **Cut** the time required for modifications
 - **Improve** the system design while still in a virtual mode
-



“Through use of the DELMIA Robotic solution, we can create 3D simulations to evaluate designs and processes before manufacturing and assembly. We can also run throughput analysis and correct ergonomic and safety issues before they occur.”

Matt Trompeter, president, Trompeter Enterprises



Driving PLM Collaboration

As the leading collaborative PLM platform, ENOVIA delivers proven value to customers through dedicated solutions that optimize total cost of ownership and enhance ROI.

Today, ENOVIA solutions provide the widest process and industry coverage of any PLM provider. The solution supports the DS strategy to target 11 vertical industries and online collaborative intelligence. Its proven, robust, and scalable enterprise architecture meets the demands of enterprises of any size. 2007 saw several strategic enhancements to the ENOVIA portfolio.

ENOVIA MatrixOne 10.7.1 was a major breakthrough in the DS delivery of its Service-Oriented Architecture (SOA) vision for PLM. It delivers the ENOVIA solution with the openness, flexibility, and scalability of the SOA platform. When combined with 3DLive, the ENOVIA federated data management capability allows users to search, navigate and collaborate on PLM information from multiple sources. It supports the DS end-to-end solutions offering, as well as non-DS PLM applications. This advance makes PLM a critical business application for our customers and rapidly adapts to their current and future business needs.

ENOVIA MatrixOne 10.7.1 also delivered a complete solution combining the detailed product knowledge of ENOVIA VPLM with the enterprise visibility and powerful collaborative business process management capabilities of ENOVIA MatrixOne. In addition, we strengthened our **Industry Accelerator solutions** for Semiconductor Design Data Management,

Apparel Design and Development, Aerospace and Defense Program Management, and Medical Devices.

Other enhancements in **V5 R18**, such as new digital mock-up applications, facilitate early validation of conceptual designs, lower the barriers to photorealistic rendering, and reduce the risks and costs of data protection. In the mid-market, we have expanded our offerings to utilize our accumulated experience, enabling us to provide a step-by-step approach from design to full implementation.

Growing the Customer Base

In 2007, ENOVIA achieved major wins, acquiring customers in all target industries, with significant growth against competitors in the high-tech and apparel sectors. In the automotive, aerospace, shipbuilding, and industrial equipment industries, wins included **A.O. Smith, ELEB, Farnham & Pfile, Knapheide Manufacturing, Nakayama, Norgren, Toyota Motorsport, Yantai Raffles Shipping Ltd., and YOKE Industrial;** in high-tech and semiconductor: **Dialogic** and **LG Electronics, Inc.;** and in apparel: **Gucci Group, Michael Kors, and Under Armour.**

In the small- to mid-sized market, ENOVIA SmarTeam saw its base grow from 4,000 to over 5,000 customers.



Expanding the Ecosystem

The ENOVIA ecosystem contains more than 50 partners and substantially extends the DS PLM solution, offering over 70 add-on applications and integrations from both niche players (e.g. GSSL, Productivity Engineering) and major editors (e.g. IBM, i2, Microsoft). In 2007, four new partners joined.

ENOVIA delivers unique PLM enterprise search capabilities that combine the best of **Autonomy** and DS 3D PLM technologies, allowing users to find and act on information more quickly while developing new products.

The **Productivity Engineering** partnership enables high-tech customers to integrate their electronic design data and processes with ENOVIA SmarTeam and ENOVIA MatrixOne solutions, shortening time-to-market.

In its new capacity as a DS value-added reseller, **Integware** works with customers to tailor industry-leading PLM solutions to their individual needs.

PROSTEP AG will develop a new PLM SOA connector that takes advantage of the ENOVIA solution. The connector will allow ENOVIA users to view, access, manage, and collaborate across PLM content from heterogeneous data sources such as Agile, SAP PLM, Teamcenter, and Windchill.

Schuler Group

Boosting Collaborative Engineering

Germany's Schuler is a leading global manufacturer of mechanical and hydraulic metal forming products, systems, and services with a world market share of approximately 35 percent and a presence in more than 20 countries.

The company's primary business challenge is to satisfy the ever-changing requirements of its customers such as automotive manufacturers. Flexibility, responsiveness to custom requirements, and demanding lead times are issues the development organization faces daily.

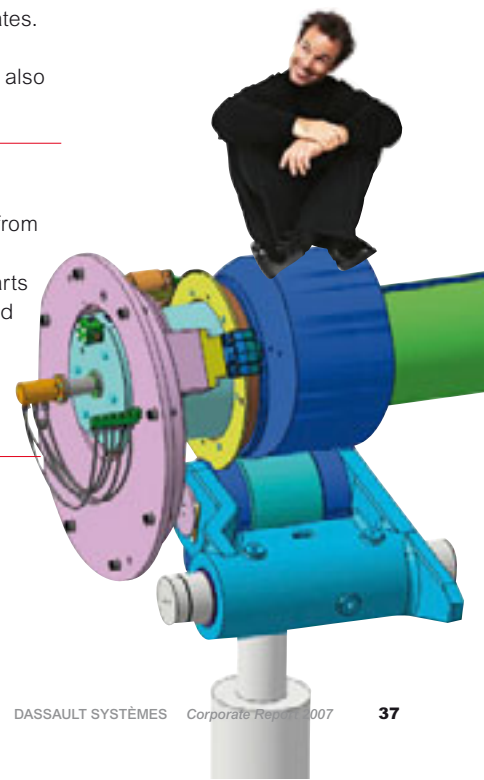
Schuler selected ENOVIA VPLM because it needed to standardize processes for sharing product data, creating and modifying designs, and managing work-in-process information via a single source of data. With 200 concurrent engineering and business end users, Schuler was looking for a solution that also interfaced seamlessly with other enterprise applications, facilitating the flow of information and updates. This made ENOVIA VPLM an absolute prerequisite to its PLM implementation that also includes CATIA and SIMULIA.

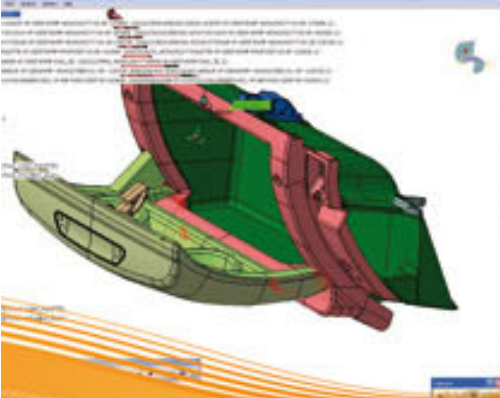
As a result, Schuler has experienced a:

- **20%** reduction in product design time (engineering design time of presses cut from five to four months)
- **5%** increase in quality of large welded parts (improved speed of Finite Element Method analysis results in better designs)
- **240%** faster visualization of assemblies (virtual product assembly time cut from three working days to one hour)

“PLM changes the way you do things. It is a philosophy not just a tool. We had a vision. Dassault Systèmes helped us implement it.”

Walter Knoblauch, PLM manager, Schuler Group





LG Electronics, Inc.

Speeding Product Design Innovation

South Korea's LG Electronics is a \$40 billion global leader and technology innovator in consumer electronics, home appliances, and mobile communications, employing more than 82,000 people worldwide in over 110 countries.

Critical to meeting LG's expanding market targets is the success of a strategy known as "design anywhere, manufacture anywhere." To implement this strategy successfully, LG turned to ENOVIA MatrixOne for streamlining design

processes, centralizing product information, and promoting innovation across its 40 global R&D sites and 36 manufacturing facilities. ENOVIA MatrixOne will serve as the central repository for all of LG's product information.

The ENOVIA solution will:

- **Improve** synergies among divisions
- **Enhance** operational excellence
- **Maximize** profitability in short product cycles



"R&D organizations across the world can follow a globally standardized best process and share information on any change in the product development process real-time. We expect significant improvement in time-to-market of new products and a great reduction in product development cost."

Tae Keuk Kim, chief information officer, LG Electronics, Inc.



Mora of Sweden

Optimizing Product Value

Mora is a global manufacturing leader and designer of premium quality cutting tools. The company selected ENOVIA SmarTeam and the quick-start ENOVIA SmarTeam Design Express (SDE) package to launch and implement a new PLM business strategy, ultimately shortening product lifecycles and reducing time-to-market. Mora sought an easy-to-implement entry package that would let them develop their PLM program gradually and support change as the organization shifts to its new market-driven strategy. They also sought to minimize implementation time and risk.

The ENOVIA SDE methodology guides the Mora team in deploying a best-practice PLM solution that will span the enterprise. SDE brings Mora core PLM benefits such as enhanced efficiency and accuracy through routine reuse of data via the standard parts library or through automated creation of Bills of Materials from 3D designs. After introducing collaboration across design teams, Mora will expand its ENOVIA SmarTeam system to include marketing, sales, customers, and other stakeholders. By growing its PLM solution Mora hopes to achieve its business targets and maximize growth potential.

“We see ENOVIA SmarTeam Design Express as the cornerstone in our process toward becoming more market-oriented. As a modern and complete solution, it will help us gain control over our product data and collaborate better across cross-functional departments. We need a PLM tool that will let us grow with the system.”

Carin Nises, managing director, Mora of Sweden





A New Universal Language

3DVIA is our brand for delivering realistic 3D experiences to the world's rapidly expanding digital communities. It represents a bold commitment by DS to extend 3D technology to new users, businesses, and consumers.

By delivering products designed specifically for non-traditional users of 3D applications, 3DVIA will ultimately establish an entirely new way for companies to communicate across the enterprise and directly with consumers using 3D as their new universal language.

Lifelike Experiences for All

3dvia.com is a community Web site for 3D enthusiasts and digital content creators. It is designed to host and showcase new 3D content and innovative 3D experiences, and to encourage the exchange of ideas. The site primarily serves the graphic artist and creative community, with links to additional online services for professional/industrial 3D users.

This year we launched **3DVIA Shape**, our first consumer-oriented online application. This breakthrough, lightweight, and downloadable 3D content creation application enables Internet users to imagine, create, and share all kinds of 3D content. It offers "true 3D"—leveraging DS's proven 3D modeler to deliver highly realistic visualizations. 3DVIA Shape is fully integrated with the 3dvia.com Web site, enabling users to showcase their creations.

A Growing Network of Partners

In today's fast-paced global economy, success will accrue to companies that engineer customer input into the earliest

stages of the design process—companies that collaborate with customers upfront to capture ideas and "co-generate" exciting new products and services.

In June 2007, DS and **Publicis Groupe**, the world's fourth largest communication group, announced a global partnership called 3dswym (for "see what you mean") to focus on this opportunity. Working together with consumers online, marketers can conduct focus groups to jointly create new consumer goods, and test effectiveness of product packaging, product placement, and product offers in a virtual retail/shopping environment.

In October 2007 DS and Microsoft launched **Microsoft Virtual Earth-3DVIA** as part of an ongoing partnership. This free online downloadable application was developed by DS and enables consumers to imagine, create, and share highly-realistic 3D models of houses, buildings and other structures directly within Microsoft Virtual Earth! 3DVIA adds a robust new dimension to the online mapping and visualization experience.

Allegorithmic, a designer of procedural textures software, is one of the first 3DVIA partners to integrate its texture solutions into the 3DVIA online platform and service mix.



Empowering Enterprise Teams to Collaborate in 3D

In May 2007, DS released **3DLive**, a revolutionary collaboration application with an intuitive interface that allows anyone in the production chain to navigate through 3D images of product designs. 3DLive creates a shared online environment for widely dispersed teams, offers simplified access to product information, and fosters the reuse of IP in a PLM workflow context.

Virtools technology offers a comprehensive interactive 3D development environment with deployment solutions tailored to business needs. Companies use Virtools to virtually test large-scale projects and to train teams to operate complex equipment safely through multi-user simulations. With Virtools, marketers can improve product launches through engaging “virtual world” campaigns, and clients can experience and customize sophisticated products and layouts in real time—all while online. In addition, electronic entertainment companies use Virtools to create engaging and highly-realistic online experiences for consumers.

“3DVIA Composer is a solution that facilitates producing technical illustrations in our After-Sales department, and allows the 3D data to be immediately available in many areas.”

Jean-Luc Perrard, director of Product Process Information Systems, PSA Peugeot Citroën

Introduced only weeks after DS’s October 2007 acquisition of Seamage, the desktop content authoring system **3DVIA Composer** revolutionizes the way enterprises of all sizes create, update, and distribute rich product documentation. Non-engineering staff can easily reuse existing 3D product definition data (e.g. 3D design data and Bills-of-Material information) to create a powerful series of “always current” interactive product documentation, animations, and technical illustrations. Users in customer service, manufacturing, training, support, sales, and marketing are able to exploit data from all of their information systems.

The After-Sales department at **PSA Peugeot Citroën** deployed 3DVIA Composer solutions in two successive phases between 2006 and 2007. The process for generating technical documents from VPM was thus optimized for cataloguing 3D data for dealers. The operators work from the 3D data emanating from the design offices. They furnish an interactive document integrated into the PSA information system.

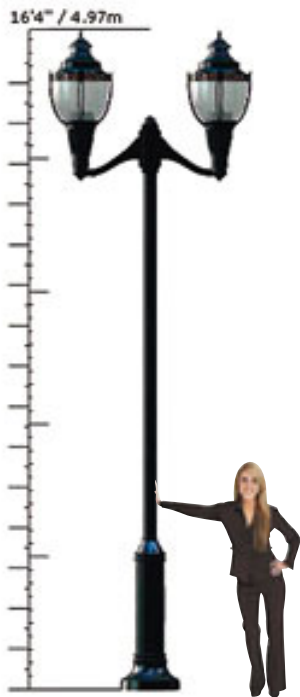


Lumec

Personalizing Lighting in Real Time

Lumec, one of Canada's top manufacturers of decorative and functional outdoor lighting products, wanted to provide a modern, highly interactive and personalized marketing experience to its customers, allowing them to self-configure Lumec products online.

Today, Lumec is using Virtools to power its online virtual 3D lighting fixture configurator called Lumec 3D, which allows customers to create and test their own luminary on Lumec's Web site. The new solution provides Lumec customers worldwide with instant, 3D lifelike experiences online, replacing the 2D representations of lighting assemblies Lumec used to prepare for customers.



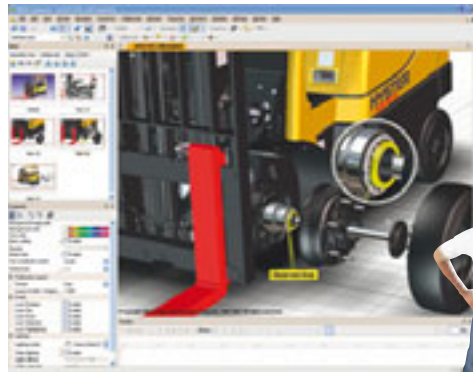
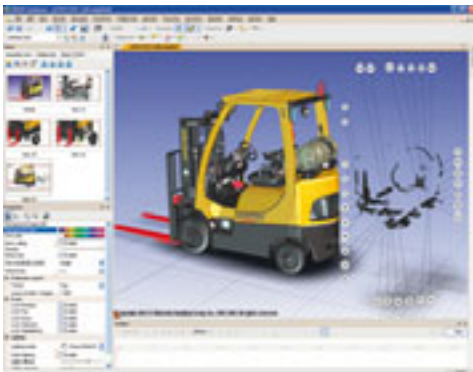
“Previously, it took two to three days for our customers to obtain a 2D representation of their lighting assembly. With the help of Virtools, we now offer our customers an immediate 3D representation of their assembly in its intended context.”

Jonathan Hardy, industrial designer, Lumec



NACCO Materials Handling Group

Harnessing 3D Data for Creating Materials Handling Equipment



NACCO Materials Handling Group (NMHG) of Portland, Oregon designs, engineers, and manufactures materials handling equipment, including warehouse, counterbalanced, and large-capacity cargo and container handling trucks, under the Hyster, Yale, and Sumitomo brand names.

NMHG has leveraged 3DVIA Composer to offset the effects of globalization, including cost pressures and shorter product development cycles, by facilitating communication throughout its extended organization and with its suppliers. 3DVIA Composer harnesses advanced 3D technologies and puts that data to work for users in sales, marketing, customer service, training, support, and manufacturing. From

creating owners' manuals and assembly directions to maintenance and sales materials, NMHG has used 3DVIA Composer to turn once arduous, time-consuming, and expensive tasks into natural extensions of the product creation process.

Benefits for NMHG have included eliminating the need for overseas translations, because everything is communicated visually rather than with words; the ability to share 3D models as compact, self-playing files embedded in Microsoft Office documents; and XML-based file formats that apply meta-data such as cost and materials directly to individual parts and assemblies.

“In 3DVIA Composer, it only took a few seconds to generate interactive assembly instructions by starting with a supplier's CAD model and updating the existing content to reflect the most recent changes.”

Gordon Benson, senior engineer, NACCO Materials Handling Group

The Ecosystem

Creating Value for Customers and Their Customers

Our unique ecosystem of selected industry-leading partners in software, technology, services, distribution, and education maximizes know-how and develops solutions and services that best serve customers.



SOFTWARE PARTNERS

The ecosystem of software partners continues to grow, with now over 160 editors offering more than 450 applications and providing value to end users across all industry business processes.

New community members complementing all PLM brands include **CD-adapco** (United States), leader in the field of flow and thermal simulation solutions integrated with SIMULIA and CATIA; **Creaform** (Canada), providing a unique solution for reverse engineering with 3D laser scanning technology and software integrated with CATIA to efficiently build models from capturing real objects; **PROSTEP AG** (Germany) with solutions for collaborative intelligence and supply chain communication with ENOVIA; and **Visiprise, Inc.** (United States) bringing as-built data right to the shopfloor level to complement the DELMIA manufacturing execution system.

Sharing experience and increasing collaboration among the DS communities is at the forefront of our

strategy. For the 2007 edition of the **DEVCON** annual developers' conference, the community gathered over 650 people in Paris. In addition, participants around the world connected via a virtual 3D conference powered by 3DVIA. DEVCON is the unique annual event for developers, managers, and partners to meet and learn the latest information about DS's key technological advances.

DS supports community partners to extend their sales reach via **PLM Marketplace**, an online community that today connects software vendors and reselling partners, and will be extended to include other solution partners in the future. Through PLM Marketplace, resellers can easily search and find complementary solutions provided by the partner community, on-demand, in order to efficiently present customers with holistic PLM solutions. For registered members, benefits include shorter sales cycles and increased sales. As the subscription rate continues to grow from currently 43 reseller companies involving 251 sales people spanning 29 countries, members and

end-customers benefit from an even wider scope of extended PLM. For more information on how to connect with partners and benefit from PLM Marketplace, visit www.plmmarketplace.com

TECHNOLOGY PARTNERS

DS continues to transform the world of 3D. In the process, we are creating a strong network of partnerships with leading technology companies across the globe, including **AMD, Dell, Hewlett-Packard, Intel, Lenovo,** and **nVIDIA**. These partners are building technologies that integrate with DS PLM solutions. Our solutions capitalize on the latest features of these technologies and bring the 3D experience to life.

Our technology partners provide our customers with products and services that ensure compatibility between the IT infrastructure and DS offerings, and they are key contributors to providing access to the virtual world

“We joined PLM Marketplace when it opened and have found it generates business synergy and efficiently facilitates value channel network selling. Type3, our specialized PLM solution, has gotten wider exposure and sales have increased.”

Philippe Blache, executive vice president, Vision numeric



experience with PLM 2.0. Working together, PLM 2.0 on the V6 platform will offer our partners the opportunity to reach new markets and enable our customers to create, share, and experience the new 3D world.

SERVICES PARTNERS

In order to improve customer business process coverage, DS created Industry Solutions Partnership Services. The primary drivers of this program are to benefit from the PLM expertise of selected industry leaders in the DS ecosystem by expanding and enhancing the solutions available to current customers and by offering these solutions to new markets and prospects. One example of a new partner is **Sogeti Group**, a strategic business unit of CapGemini, one of the world's leading IT consulting firms. With €1.4B in revenues and more than 18,000 employees throughout EMEA and the United States, Sogeti specializes in providing local professional IT services.

DISTRIBUTION CHANNEL PARTNERS

Based on long-standing alliances with industry leaders and with new partners that are extending our market footprint, our distribution channels are at the cornerstone of our customer relationships. PLM customers are served by our **PLM Value Channel** made up of 340 value-added resellers (VARs) worldwide who secure implementation of PLM solutions by bundling software sales and professional services. The **DS Professional Channel** distributes SolidWorks and, with more than 350 VARs, continues to increase in worldwide sales, support, and training headcount. Capacity of both of these channels grew by 20% in 2007. DS development relies on the performance of multiple distribution channels, and we value them as a competitive advantage.

The Ecosystem

ACADEMIC & EDUCATION PARTNERS

DS has constantly dedicated time, skills, and resources to growing an expanding knowledge ecosystem that gives budding and confirmed engineers of all ages the tools to develop their skills. From the first stirrings of the design mindset in kindergarten, through high school and university, to professional training on the job, our focus is on developing the latest PLM engineering practices through lifelong learning with hands-on experience of 3D software tools.



Our global **Academic Partner Program** provides tailored offerings from each brand to a wide range of education institutions via a dedicated Web site, educational resources, certification exams through a network of certified partners, and partnerships of various levels and types. Each year, over 1.3 million students familiarize themselves with our 3D modeling and PLM technologies.

The primary objective of the **Education Partner Program** is to maximize user performance with DS PLM products and solutions via the worldwide availability of innovative and best-in-class education solutions supported by a network of certified partners. In 2007, partnerships with more than 150 partners located in 39 countries delivered a mix of classroom and e-learning activities. There are now over 300 courses available to cover the educational needs of our partners.

K2E Program

Based on their combined knowledge and expertise of global teaming, “system of systems,” and PLM accumulated during the past few years while designing revolutionary aircraft, The Boeing Company’s Learning Training and Development Engineering Group and the DS PLM Academy, with selected representatives from academia, industry, government and technical affiliations, are developing a Kindergarten to Employment (K2E) education and research initiative.

What makes this outreach initiative unique are both its scope in considering education as a continuum from young ages to employment, and its approach in integrating formal academic discipline with the latest industry best practices and technologies in a multicultural program that will benefit students, partners, universities, and industry.



The vision is to target engineering education as a continuum from kindergarten to employment and to achieve an international model for PLM, initially focused on aerospace and automotive applications.

Commitment to Global Engineering Education Organizations

Our membership of major engineering organizations acts as a key channel through which we can influence the best possible education for tomorrow's engineers.

DS is a founding member and Member of the Board of the **International Federation of Engineering Education Societies**, bringing together more than 40 of the most active national, regional, and global organizations involved in engineering education.

DS is also a key sponsor of the **American Society of Engineering Education (ASEE)**, with over 13,000 academic members, both individuals and institutions, committed to furthering education in engineering and engineering technology. At the ASEE Annual Conference & Exposition in June 2007, a DS representative spoke about innovative industrial practices and their impacts on engineering skills at a global level, reflecting on working methods that require new engineering skills and inspire curricula for engineers of the 21st century.

Among our new academic partners, we have opened new **PLM competency centers** in Brazil with SENAI and in Mexico with Universidad Autonoma de Nuevo Leon.

To learn more about our partners in the ecosystem, visit www.3ds.com/alliances

A 3D rendered propeller airplane, primarily red with black wings and a grey nose, is shown flying from the top left towards the bottom right. The airplane is positioned over the long, wavy, light brown hair of a woman whose head is partially visible on the right side of the frame. The background is white, and a curved, orange, glowing trail follows the path of the airplane. The text 'WORKING TOGETHER' is written in red, uppercase letters, slanted upwards from left to right, in the upper right quadrant of the image.

WORKING TOGETHER

Collaborate for a Better Life

The most natural visual medium for sharing information is 3D, which enables all human beings, whatever their language or culture, to literally see what they mean. At DS, we have not only built the tools for people to see in 3D, but also to act on what they see to improve products and processes. Compelling shared images inspire understanding, stimulate discussion, spark ideas, and promote collaboration. We foster these social conversations by supporting education, by promoting our partnership-based vision of product management, and by constantly ensuring that virtual product excellence is a prime driver of sustainable development.

TO IMPROVE OUR ENVIRONMENT



Expanding Opportunities for People and Customers

DS implemented a far-reaching structural transformation in 2007 which substantially changed the way DS employees interact within the group and with its ecosystem.

The “One Company” initiative, the restructuring of the group’s distribution network, and the technical innovations delivered by R&D have established a new dynamic within our organization, creating more value for our customers and business partners.

The strategic goal behind the One Company initiative is to clearly state that DS is a single organization with a common identity, offering a portfolio of brands and bringing its customers and employees the powerful benefits of a unified, market-leading company. Parallel to this transformation, we continued to make several strategic acquisitions, constantly striving to integrate these new entities seamlessly into the DS group, preserving their distinctive cultural identity and at the same time progressively unifying business methods, resources and development, distribution and support platforms.

DS also developed a number of initiatives to put its employees at the heart of the One Company process. These included the first-ever gathering of 170 of the company’s executives from across the world for the DS Leadership Convention, which helped rally the entire group around its future strategies and innovations.

Fostering a New Sales Culture

DS embarked on a complete restructuring of its sales organization in 2007. The underlying aim was to redefine management of the group’s distribution network, which was previously controlled and coordinated by IBM. Following the implementation of Channel Management Providers in the course of the year, by late 2007 DS was in charge of sales in 25 groups of countries (see pages 22-23). To support this major transformation, DS trained close to 70% of its sales and marketing teams in a new sales process. Delivered in China, France, and the United States, these programs have enabled teams to strengthen their technical capabilities and helped foster a full-fledged sales culture. Our revamped distribution model allowed us to create more added value for our 100,000 customers in 11 industries and also to reach new users.

Driving Technological Innovation for Customers

In 2007, DS acquired ICEM, enabling CATIA to extend its leadership within the diversified designer community; and Seemage, now part of the 3DVIA portfolio, allowing broader access to product-related 3D data. At the same time, DS signed partnerships with Microsoft (Virtual Earth-3DVIA) and Publicis (3dswym). These strategic acquisitions enriched the group’s advanced technology portfolio and expanded its teams of high-caliber technology professionals (see page 40). DS’s PLM and lifelike experience strategy enables the group to meet the needs of new market sectors and strengthen our customers’ ability to innovate. It has also provided DS teams with the resources to rise to the challenge of new professional environments, such as Web-based and consumer-focused activities.



Preparing the Future of Collaborative Innovation

In keeping with our corporate culture of pushing the limits of innovation for our people and our customers, by the end of 2008 all DS group employees currently based in the Ile-de-France (Paris) region will come together under the same roof at the new DS global headquarters being built near Paris. DS Campus is destined to become a dynamic technology showroom for global collaborative innovation. It will facilitate new ways to work and best practices that we will promote to our customers and partners. The extensive use of 3D as a medium, with lifelike experience, will redefine how people can imagine, share, and experience together. We believe that the growing role of the 3D virtual world to create a better world should be showcased, and DS Campus will be the ideal venue for that. In line with DS’s commitment to sustainable development, the site is being constructed according to high environmental standards and will obtain the French green building certification.



A Diverse Group Promoting Innovation

- 22** R&D labs worldwide

- 80** countries of origin

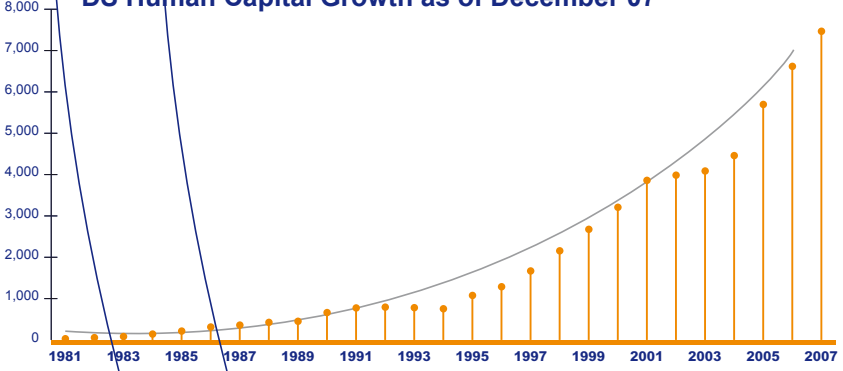
- 40%** growth in human capital in three years

- 47%** of DS people are based in Europe and the Middle East

- 34%** in the Americas

- 19%** in Asia

DS Human Capital Growth as of December 07





Corporate Social Responsibility

3D for Learning & Creating

Interactive, online 3D is a powerful means to help gain understanding of complex concepts, no matter who the public is, whether it is students, specialists, or the general public.

Using 3D, cause and effect relationships that may otherwise be difficult to conceptualize are more easily understood, facilitating changing viewpoints and enabling concepts to be manipulated and played with at will. 3D allows us to see things differently and stimulates new thinking. Ever increasingly, this power of 3D goes way beyond its educational and research applications and crosses over to artistic disciplines, as in emerging digital arts.

MOBI³

DS, DLA Piper, IBM, Nokia and SFR have set up an innovative public-private partnership with the French Ministry of Education, IMS¹ and the European ENGAGE Network² - which will provide a unique educational opportunity, the Mobi³ program, for middle school students from economically disadvantaged neighborhoods. Students participate in a team project to design a 3D model of a mobile phone, discovering hands-on the technology, processes, people, and careers linked to its creation, and learning about the complementary role that each company plays in the phone's lifecycle, from design to sales to recycling.

⁽¹⁾ Founded in 1986, and contributing over 20 years of experience, IMS – Entreprendre pour la Cité is a NGO devoted to creating a better convergence between corporate and society interests. IMS works to support and promote societal business practices, encouraging and helping companies to implement societal practices which create value for the communities in which they operate and contribute to social equity.

⁽²⁾ ENGAGE, an international campaign established in 2002, aims to increase the extent and scale of employee engagement in the development of healthy and sustainable communities, and seeks to focus employee skills and time within a wider community investment strategy.

Course en Cours 2007

The year-long Course en Cours/mini formula 1 inter-collegiate contest entered its second successful year bringing together 600 middle and high school students throughout France to design and manufacture mini F1 cars using CATIA. This multidisciplinary project seeks to build bridges between secondary schools and the high-tech world by providing role models and by encouraging students to pursue their studies, particularly in science and technology. Similar "mini formula 1 in schools" initiatives exist in 21 other countries around the world.

ETO Gitarama

The long-term partnership with the ETO Gitarama Technical High School and the Kigali Institute of Technology in Rwanda has continued to bear its fruits. SolidWorks recently helped launch Gasabo 3D Design Ltd., a company that converts 2D drawing files into 3D models. The company currently employs 14 people. The strong start of Gasabo has encouraged additional public and private investment by third parties.

The 3D³ Contest

The fourth edition of the 3D³ Contest was held in October 2007 at the digital art center ART 3000 – Le Cube, showcasing innovative end-of-term student projects created with 3DVIA technology. The contest seeks to build bridges between technology and imagination through projects ranging from video games to abstract artistic expressions.



3D Technology Solves the Mystery of the Great Pyramid

It all began 4,500 years ago, when an antique civilization built one of the most mysterious monuments in the history of humankind. How did they do it? Nobody alive today knows with any certainty. But it was exactly this unresolved riddle that led several teams at DS to provide backing for an architect and author of a revolutionary theory about the Pyramid of Khufu in Egypt, Jean-Pierre Houdin. For the last eight years, he has been dedicated to developing the first scientific theory capable of fully explaining the construction of the Great Pyramid.

Thanks to the DS “Passion for Innovation” sponsorship program, in March 2007 Jean-Pierre was able to confirm his theory.



The aim of “Passion for Innovation” is to contribute to the fulfillment of innovative not-for-profit projects by providing support through the loan of DS 3D and training software, along with the provision of a specific technical skills base.

Won over by Jean-Pierre’s passion and stimulated by the challenge, DS teams spent two years using advanced scientific 3D tools to examine every detail of his theory. Hundreds of calculations and algorithms were used to gauge



the soundness of his premise, to check whether models and hypotheses defied the laws of gravity or operated contrary to the forces and the materials being manipulated. Simulations were used to back up and enrich Jean-Pierre’s theory, posing and answering new questions to ensure that no doubt remained concerning the mystery of the construction of the Pyramid.

Jean-Pierre’s theory is the first to have been confirmed by means of high-performance 3D modeling and simulation software, allowing him to “see what you mean.” It is also the first theory to explain the construction of the Pyramid from start to finish and to supply answers to all the major questions. 3D opens the door to the world we imagine.

Because we believe that 3D will be one of the premier media of the 21st century, we wanted to share this extraordinary human adventure with the widest possible audience. Thus was born the first virtual reality installation that allows spectators to travel back in time and visit the amazing construction site of the Pyramid in real time using DS Virtools technology available through the 3DVIA brand. Discover the secret yourself at www.3ds.com/khufu



Corporate Social Responsibility

3D for Eco-Design

Dassault Systèmes solutions help clients in various industries reduce environmental impacts throughout the product's lifecycle.

The need to find responses to climate change has become a business challenge in many sectors. Energy efficiency in particular is an underlying objective, whether through the development of non-CO₂ emitting energy sources or improving efficiency of existing internal combustion engines.

Harvesting the Power of the Ocean with Pelamis Wave Power and SIMULIA

Energy generated from ocean waves could provide electricity on a similar scale to existing nuclear or hydroelectricity sectors. Pelamis Wave Power Ltd. (PWP) is rising to the challenge with a novel Wave Energy Converter (WEC) machine it is designing with the help of SIMULIA's Abaqus FEA.

Utilities and energy companies can access electricity from power projects consisting of arrays of interlinked PWP machines known as "wave farms." A wave farm of 40 WECs, covering a square kilometer of ocean surface, is capable of generating electric power for 20,000 homes.

"Abaqus has become the global finite element package at PWP, which we now use for practically all our analysis needs. We use it for initial concept analysis, general design work, detailed design work, and what-if scenarios."

Jon Benzie, senior engineer, Pelamis Wave Power Ltd.

To design an adaptable, rugged, and clean-running machine, PWP turned to Abaqus software for nonlinear finite element analyses (FEA) of its product's structure, materials, and performance. Incorporating input related to hydraulic systems, electrical layouts, and production assembly requirements, this numerical modeling allows rapid design evaluations and optimizations to be made. PWP performs a considerable number of FEA design iterations on components that are put to the test with respect to fatigue performance and stress analyses. PWP also employed the software's extensive material modeling capabilities to understand the behavior of different materials for machine design in order to produce the most efficient, cost-effective solutions.





Re-designing SUVs with SIMULIA and CATIA

The Mississippi State University (MSU) team finished in first place in the Third Annual Challenge X, an engineering competition to design an environmentally-friendly sport utility vehicle (SUV). MSU relied heavily on CATIA and SIMULIA to re-engineer a 2005 Chevrolet Equinox. Sponsored by General Motors and the U.S. Department of Energy, and organized by Argonne National Laboratory, Challenge X asked teams to re-design the SUV to minimize energy consumption, emissions, and greenhouse gases while maintaining or exceeding the vehicle's utility and performance.



Simulating Critical Maintenance Procedures with DELMIA

Due to the high price of oil and the state of alternate energy sources, nuclear power facilities such as Southern California's San Onofre Nuclear Generating Station (SONGS) are being re-licensed. SONGS used DELMIA to simulate critical maintenance procedures in a highly radioactive environment. With DELMIA simulation, SONGS discovered three possible ways to perform a task more efficiently. 3D digital visualization and simulations in DELMIA allow SONGS officials to verify the feasibility of complex or dangerous tasks before attempting to execute them. When steam generators are replaced, there is no chance to practice. Virtual mock-ups in DELMIA help get it right the first time.



Corporate Social Responsibility

Greener Combustion Engines with SolidWorks

Cyclone Power Technologies, Inc. is using SolidWorks to design an environmentally-friendly combustion engine that can power everything from small generators to ships “green” enough to dramatically reduce harmful emissions. The Cyclone Clean Air Engine regenerates (or recycles) its heat, thus allowing it to run cleaner, cooler, and more efficiently than traditional internal combustion engines. The engine uses an outside source to heat fluid (such as biofuel, ethanol, or gasoline) that expands to turn a motor or initiate other work.

The company is working with industry leaders to develop variations of the engine so that it can power small and large generators, cars, trucks, heavy equipment, and other applications. In the process, the engineering team constantly designs, tests, builds, and runs different engines to measure everything from horsepower to carbon monoxide output.

“Working in 2D forced us to draw assemblies several times to change anything. SolidWorks lets us draw the same assemblies once and automates changes throughout the design so we know it is accurate,” said Cyclone Chief Engineer Michael Hodgson. “This confidence in our work encourages us to try different concepts we probably wouldn’t have in 2D – which is critical in developing what may become a new paradigm.”

Internal combustion engines, burning at 3,000 degrees Fahrenheit or more, emit harmful gases such as carbon monoxide, carbon dioxide, and nitrous oxide. The Cyclone Clean Air burns at less than 2,300 degrees, emitting almost no CO, CO₂, or NOX.

Eco Experiences with 3DVIA

The role of interactive, online 3D solutions is becoming increasingly important for planning urban and landscape developments that integrate environmental factors into their conceptualization. CLARTE (the Laval Centre for Technological Resources) and partner ECR used Virtools technology to test real-time 3D applications modeling the establishment of wind-energy generators in a countryside landscape.

3D, through lifelike experiences, is also a powerful awareness-raising tool. DS is part of an initiative with British Telecom, Sony, and several other companies, all members of the CSR Europe¹ network, using interactive, online 3D applications as a means of enhancing sustainable marketing practices among marketing professionals.



⁽¹⁾ CSR Europe is the leading European business network for corporate social responsibility with around 70 multinational corporations and 25 national partner organizations as members.



© City of Shenzhen

Keeping the Arctic Safe with SIMULIA

Pipeline engineering firm JP Kenny is using new SIMULIA multiphysics technology to ensure that oil pipelines buried beneath the sea floor in the arctic are able to withstand gouging (damage) from icebergs, thus helping to protect the arctic ecosystem from oil spills. As part of an effort by JP Kenny's worldwide offices to acquire expertise in arctic issues and solutions, their Advanced Engineering Group has recently developed a new module that will be part of JP Kenny's SIMULATOR arctic set of tools. The new module simulates the realistic response of buried pipelines under ice-gouging conditions. Comprising a 3D finite element model of the pipeline, seabed soil and gouging iceberg/ridge, the developed module uses Abaqus from SIMULIA to model extreme deformations of the seabed material. The tool can help attain significant savings in pipeline burial in offshore arctic regions by realistically modeling sub-gouge soil deformation with no unnecessary conservatism. This could significantly reduce calculated required pipeline burial depth.



Improving Fuel-Efficiency with CATIA

The green integrated CATIA Machining, Programming, and Simulation solution allowed Daimler AG to put the latest virtual and environmentally-friendly manufacturing concepts to work in its powertrain program, enabling the German firm to reach new levels of manufacturing productivity gains and increased energy-efficient output for its cars.

Automotive OEMs aim to improve the manufacturing time, product quality, and safety of powertrain components as they are under tremendous pressure to improve conventional combustion engines' fuel efficiency. Powertrain manufacturers face a changing environment in which they must comply with new environmental restrictions while staying on time for product delivery to the market. The programming tools in CATIA allow for easy adoption of new environment requirements that vary by country and region and are changed frequently by car emission and international standards organizations.

Management

Global Executive Management is Dassault Systèmes' executive forum, bringing together the Executive Committee and the Chief Executive Officers of each of the Group's business lines every five weeks.

Executive Committee



Dominique Florack
Senior Executive
Vice President,
Products - Research &
Development



Bernard Charlès
President and
Chief Executive Officer



Thibault de Tersant
Senior Executive
Vice President &
Chief Financial Officer



Laurence Dors
Senior Executive
Vice President,
Global Development
& Resources

Brand CEOs



Joel Lemke
ENOVIA



Philippe Charlès
DELMIA



Lynne Wilson
3DVIA Online

Directors

Charles Edelstenne
Chairman of the Board of Directors
of Dassault Systèmes

Bernard Charlès
President and Chief Executive Officer
of Dassault Systèmes

Thibault de Tersant
Senior Executive Vice President
& Chief Financial Officer
of Dassault Systèmes

Laurent Dassault
Manager
of Dassault Investissements

Paul Brown
Jean-Pierre Chahid-Nourai
Bernard Dufau
André Kudelski
Arnoud De Meyer
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