

Dassault Systèmes Acquires IQMS to Extend the 3DEXPERIENCE Platform to Business Operations for Small and Midsized Manufacturers

- **IQMS provides all-in-one solution to optimize engineering, manufacturing and business processes**
- **Dassault Systèmes' 3DEXPERIENCE platform to become the business operations platform for manufacturers, supplementing its offering for the large SOLIDWORKS install base**
- **World's 250,000 small and midsized manufacturers seeking digital transformation in today's Industry Renaissance can gain efficiency and agility to better serve customers**

VELIZY-VILLACOUBLAY, France — December 11, 2018 — [Dassault Systèmes](#) (Euronext Paris: #13065, DSY.PA) today announced that it has entered into a definitive agreement to acquire [IQMS](#), a leading manufacturing ERP software company, for \$425 million. With the acquisition of the California-based IQMS, Dassault Systèmes extends the [3DEXPERIENCE platform](#) to small and midsized manufacturing companies seeking to digitally transform their business operations.

IQMS's software – on premise EnterpriseIQ and software as a service WebIQ – deliver an all-in-one solution to mid-market manufacturers for managing engineering, manufacturing and business ecosystems by digitally connecting order processing, scheduling, production and shipping processes in real time. By integrating IQMS's solutions into the 3DEXPERIENCE platform on the cloud, Dassault Systèmes will provide these manufacturers with an affordable system for operations that improves the collaboration, manufacturing efficiency and business agility needed to serve their customers successfully. The manufacturers – many of them SOLIDWORKS users – also gain the flexibility to rapidly scale up as a business grows.

In parallel, these manufacturers can engage in new business opportunities and create value by supplying their manufacturing know-how and services to a large community of designers and engineers in Dassault Systèmes' [3DEXPERIENCE Marketplace](#) – the world's largest virtual factory.

"We must no longer think of industry as a set of means of production, but as a process of value creation. This applies not only to disruptive startups and established corporations, but also to the hundreds of thousands of mainstream manufacturers that produce parts integral to the development of new consumer experiences," said Bernard Charlès, Vice Chairman and CEO, Dassault Systèmes. "IQMS has cultivated a deep knowledge of manufacturing and manufacturer needs. We welcome IQMS to our team as we create a new category of business solutions that

expands our offer for companies similar to those using SOLIDWORKS. They can embrace the platform phenomenon and flourish in today's Industry Renaissance."

Today's manufacturing ERP mid-market is estimated at \$5 billion, with a 7 to 8 percent annual growth rate through 2023. In the context of the Industry Renaissance – the convergence of a diverse and powerful collection of digital technologies that is transforming every aspect of industrial business – the world's 250,000 small and midsized manufacturers must adopt and optimize new ways of producing and doing business through digital transformation in order to innovate and accelerate their growth in an increasingly competitive, global marketplace.

"For years, our business has been committed to maximizing our manufacturing customers' success by delivering a comprehensive manufacturing ERP system built specifically for the mid-market manufacturers and backed by extensive support and educational services, which has earned us recognition in a number of industry reports and numerous business awards," said Gary Nemmers, President & CEO, IQMS. "As part of Dassault Systèmes, we can take the next steps in providing customers with new approaches to achieving operational efficiency and effectiveness and doing so with a global reach."

Dassault Systèmes will help IQMS expand its customer base by leveraging the presence in the mid-market space achieved with Dassault Systèmes' SOLIDWORKS applications, which are delivered and supported by the company's Professional Solutions global partner channel.

"At Westfall Technik, we focus on innovation, design and bringing the best manufacturing practices from around the world to all of our operations," said Brian Jones, Founder, Westfall Technik, Inc. "IQMS joining forces with Dassault Systèmes is exactly the kind of innovation we like to see from our partners. IQMS's strength in manufacturing operations and Dassault Systèmes' strength in design and digital transformation is a great outcome for Westfall Technik. We currently use both IQMS and SOLIDWORKS in multiple locations. We definitely look forward to the new partnership."

IQMS's solutions are used by 1,000 customers based primarily in the U.S. whose 2,000 manufacturing facilities in 20 countries produce for the automotive, industrial equipment, medical device, consumer goods, and consumer packaged goods industries. Customers include Westfall Technik, KKSP Precision Machining, AMA Plastics, Donnelly Custom Manufacturing, FlowBelow Aero Inc., Global Interconnect, Inc., Jabil Packaging Solutions, Schnipke Precision Molding, Steinwall Inc., Scientific, Inc., Sturgis Molded Products, Tribar, and Ventura Manufacturing Inc. IQMS's 2017 revenue was around \$56 million.

The purchase price of IQMS will be paid in cash. Completion of the transaction is subject to customary conditions precedent, including antitrust approval in the U.S. Closing of the transaction is expected in early 2019. Dassault Systèmes was advised by Goldman Sachs and Mintz Levin, and IQMS was advised by Harris Williams and Weil Gotshal & Manges.

Notice of Conference Call:

The management of Dassault Systèmes will be hosting a conference call today, Tuesday, December 11, 2018, at 2:00 p.m. (London time) – 9:00 a.m. (New York time) – 3:00 p.m. (Paris time).

Social media:

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For more information:

Dassault Systèmes' 3DEXPERIENCE platform, 3D design software, 3D Digital Mock Up and Product Lifecycle Management (PLM) solutions: <http://www.3ds.com>

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About Dassault Systèmes

Dassault Systèmes, the 3DEXPERIENCE Company, provides business and people with virtual universes to imagine sustainable innovations. Its world-leading solutions transform the way products are designed, produced, and supported. Dassault Systèmes' collaborative solutions foster social innovation, expanding possibilities for the virtual world to improve the real world. The group brings value to over 220,000 customers of all sizes, in all industries, in more than 140 countries. For more information, visit www.3ds.com.

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