



Dassault Systèmes Delivers Strong Third Quarter Growth, Raises Guidance

VÉLIZY-VILLACOUBLAY, France — October 28, 2021 — [Dassault Systèmes](#) (Euronext Paris: #14003TT8, DSY.PA) announces IFRS unaudited financial results for the third quarter ended September 30, 2021. The Group's Board of Directors approved these results on October 27, 2021. This press release also includes financial information on a non-IFRS basis and reconciliations with IFRS figures in the Appendix to this communication.

Summary Highlights

(unaudited, non-IFRS, in constant currencies)

- **As reported, Q321 diluted IFRS EPS increased 94.0% to €0.14 and non-IFRS EPS grew 40.0% to €0.22**
- **Q321 total revenue** rose 12% driven by strong Licenses & Other revenue growth of 24%
- **YTD 3DEXPERIENCE software revenue** grew 18% with Licenses & Other revenue up 36%
- **YTD Cash flow** from operations rose 24.5% to €1.25 billion (IFRS)
- **Raising FY2021 Non-IFRS objectives:** Revenue growth of 10%-11% to €4.80-€4.83 billion; EPS reported growth of 25%-27% to €0.94-0.95

Bernard Charlès, Dassault Systèmes' Vice Chairman and Chief Executive Officer commented:

“Virtual technology was born for sustainability: it was first used in industry for virtual prototyping, for doing things right the first time while saving materials and resources, capitalizing knowledge and know-how, and improving environmental handprints. Sustainability is all about life cycle, about connecting the dots. Offering a multi-scale, multi-discipline and inclusive approach to sustainable innovation in Manufacturing Industries, Life Sciences & Healthcare and Infrastructure & Cities is possible thanks to the 3DEXPERIENCE industry solutions.

In light of the COP26 challenges, the 3DEXPERIENCE platform with science-based virtual twin experience are unparalleled catalysts to rationalize our eco-bill, and ultimately reinvent a more sustainable economy. ‘IFWE experience the virtual twin, we can harmonize product, nature and life’: this is the very core of Dassault Systèmes.

Earlier this month, our MEDIDATA NEXT conference drew a record number of participants. We shared significant technological advancements that will continue to position our clients at the vanguard of, among others, decentralized clinical trials, personalized therapies, and seamless connectivity between patients, site investigators and sponsors. Progressing from things to life is a core part of our strategy and mission. We believe we're entering an industry Renaissance in Life Sciences & Healthcare; together, we have a significant opportunity to positively impact patients and drive meaningful change for Healthcare.”

Financial Summary

In millions of Euros, except per share data and percentages	IFRS				IFRS			
	Q3 2021	Q3 2020	Change	Change in constant currencies	YTD 2021	YTD 2020	Change	Change in constant currencies
Total Revenue	1,158.7	1,029.6	13%	12%	3,492.4	3,233.0	8%	12%
Software Revenue	1,044.6	934.3	12%	11%	3,163.1	2,907.3	9%	12%
Operating Margin	20.5%	12.1%	+8.3pts		20.1%	12.0%	+8.1pts	
Diluted EPS *	0.14	0.07	94%		0.41	0.22	85%	

In millions of Euros, except per share data and percentages	Non-IFRS				Non-IFRS			
	Q3 2021	Q3 2020	Change	Change in constant currencies	YTD 2021	YTD 2020	Change	Change in constant currencies
Total Revenue	1,158.8	1,030.2	12%	12%	3,493.9	3,245.2	8%	11%
Software Revenue	1,044.7	934.9	12%	11%	3,164.4	2,918.3	8%	12%
Operating Margin	33.8%	28.2%	+5.6pts		33.3%	28.1%	+5.2pts	
Diluted EPS *	0.22	0.16	40%	40%	0.67	0.51	31%	36%

* 2020 figures have been restated in order to reflect the five-for-one share split on Dassault Systèmes' share effected on July 7, 2021

Third Quarter 2021 versus 2020 Financial Comparisons

(unaudited, all revenue growth rates in constant currencies)

- **Total Revenue:** Total revenue increased 12% IFRS and non-IFRS to €1.16 billion. Software revenue grew organically 11% IFRS and non-IFRS. Non-IFRS recurring revenue rose 8% and accounts for 80.1% of total software revenue. Licenses and other software revenue increased 24% (IFRS and non-IFRS) to €208.3 million. Services revenue increased 19% IFRS and non-IFRS on **3DEXPERIENCE** adoption and with a catch-up effect from clients.
- **Software Revenue by Geography (non-IFRS):** Revenue growth was broad-based with Americas up 12% to 38.5% of software revenue, Europe growing 9% to 35.5% of software revenue and Asia rising 13% to 26.0% of software revenue. Business in Germany, India and Japan rebounded. China grew 8% on the back of a strong comparison base.
- **Software Revenue by Product Line:** Looking to the three product lines, the imperatives of virtual twin experiences, inclusiveness via industry platformization and the cloud, as well as sustainability, drive clients' strategic decisions.
 - **Industrial Innovation** IFRS and non-IFRS software revenue rose 8% to €555.3 million, representing 53.2% of software revenue. SIMULIA and DELMIA performed well, thanks in part to larger client wins. CATIA license and other software revenue was up double-digits while ENOVIA experienced strong subscription growth. Clients recognize the benefits of connecting their partners and customers on the **3DEXPERIENCE** platform to create value networks and ecosystems. Another significant trend among larger clients has been greater interest in transformational change and standardization, for which the **3DEXPERIENCE** platform is mission critical.
 - **Life Sciences** software revenue totaled €226.5 million (IFRS and non-IFRS), an increase of 19%, and representing 21.7% of software revenue. MEDIDATA continued to experience strong momentum across its product portfolio including Rave, Acorn AI and Patient Cloud as well as across end markets including pharmaceutical and biotechnology companies as

well as contract research organizations (CROs). Precision medicine, decentralized clinical trials and synthetic control arms remain important mid and long-term growth drivers.

- **Mainstream Innovation** software revenue was €262.9 million (IFRS and non-IFRS), rising 13% and representing 25.2% of software revenue. Broad based demand drove SOLIDWORKS non-IFRS software revenue growth of 12%. We continue to democratize innovation by empowering the mainstream market with our **3DEXPERIENCE.WORKS** offering and are seeing strong adoption. CENTRIC PLM executed well, reaching the milestone of 500 clients, and driving a double digit increase in non-IFRS software revenue.
- **Industries:** We saw very positive dynamics with the vast majority of our end markets growing non-IFRS revenue double digits, including core manufacturing industries - Transportation & Mobility, Aerospace & Defense and Industrial Equipment. For Home & Lifestyle and Business Services, non-IFRS revenue grew more than 20%.
- **Key growth drivers:** Non-IFRS **3DEXPERIENCE** software revenue increased 14% to 30% of software revenue. The strong value proposition of the **3DEXPERIENCE** platform drove a number of important, larger client wins during the period. Non-IFRS cloud software revenue grew 26%, representing 21.1% of non-IFRS software revenue. The cloud has been a preferred option for new market entrants as it affords the rapid deployment of enterprise level technologies.
- **Operating Income and Margin:** IFRS operating income increased 90.0%, as reported. Non-IFRS operating income rose 34.8% to €392.1 million as reported. Non-IFRS operating margin increased 560 basis points to 33.8%.
- **Earnings per Share:** IFRS diluted earnings per share increased 94.0% to €0.14, as reported. Non-IFRS EPS increased 40% to €0.22, at constant currency.

Dassault Systèmes' Chief Operating Officer & Chief Financial Officer Commentary
(revenue growth rates in constant currencies, data on a non-IFRS basis, cash flow IFRS)

Pascal Daloz, Dassault Systèmes' Chief Operating Officer & Chief Financial Officer, commented:

"We're pleased with our third quarter results. Our team executed well, leveraging continued positive business momentum across geographies and industries. Total revenue grew 12%, with license revenue increasing 24%. This is reflecting double digit growth in our core industrial end markets and in Life Sciences & Healthcare. We also benefited from continued acceleration of **3DEXPERIENCE** and cloud adoption.

Profitability remained high, reflecting strong revenue growth and a continuation of the pandemic-related expense and headcount tailwinds. Diluted EPS grew 40% in constant currencies, above guidance. Operating margin expanded 560 basis points to 33.8%. Finally, year-to-date cash flow from operations totaled €1.25 billion, contributing to achieve our deleveraging target.

As we look to the fourth quarter, we are increasing our non-IFRS diluted EPS objective range to €0.94 - €0.95 or 25%-27% growth from +19%-21% previously, capturing the incremental earnings upside from

the third quarter and increased revenue visibility while expenses remain unchanged. We thank our clients for their continued trust that allow us to pursue our investments in people.”

Year-to-Date 2021 versus 2020 Financial Comparisons

(Unaudited, all revenue growth rates reported in constant currencies)

- **Total Revenue:** IFRS revenue rose 12% and non-IFRS revenue was up 11% to €3.49 billion. Organic software revenue increased 12% IFRS and non-IFRS to €3.16 billion. Non-IFRS recurring software revenue grew 9% to €2.53 billion, representing 79.9% of total non-IFRS software revenue; subscription revenue rose double digits. Licenses and other software revenue increased 29% IFRS and non-IFRS to €635.2 million. Services revenue increased 1% IFRS and 4% non-IFRS on progressive recovery driven by **3DEXPERIENCE** adoption.
- **Software Revenue by Geography (non-IFRS):** Americas rose 15% to 38.5% of software revenue. Europe grew 9% to 35.9% of software revenue. Asia increased 12% to 25.6% of software revenue with China up 23%.
- **Software Revenue by Product Line:**
 - **Industrial Innovation** IFRS and non-IFRS software revenue increased 7% to €1.74 billion, with licenses and other revenue up 25.5% driven by all brands including CATIA, SIMULIA, ENOVIA and DELMIA.
 - **Life Sciences** IFRS software revenue grew 21% to € 653.7 million; non-IFRS revenue rose 19% to € 654.7 million. Business momentum has exhibited consistent and broad-based strength across all product lines and end markets.
 - **Mainstream Innovation** software revenue was € 773.8 million in IFRS and € 774.1 million in non-IFRS, rising 20%. SOLIDWORKS non-IFRS software revenue grew 18%. CENTRIC PLM also performed well with high double digit non-IFRS software revenue growth.
- **Key growth drivers:** Non-IFRS **3DEXPERIENCE** software revenue rose 18% driven by licenses and other software revenue growth of 36% to 28.1% of total software revenue. Non-IFRS cloud software revenue grew 24% to 19.7% of software revenue.
- **Operating Income and Margin:** IFRS operating income totaled €701.1 million, an increase of 81.5%. Non-IFRS operating income totaled €1.16 billion, an increase of 27.7%. The non-IFRS operating margin increased 522 basis points to 33.3%.
- **Earnings per share:** IFRS diluted earnings per share were €0.41 as reported, an increase of 85.4%. On a non-IFRS basis, diluted EPS were €0.67, growing 30.8% as reported or 36% at constant currency.
- **Cash flow from operations (IFRS):** Cash flow from operations increased 24.5% to €1.25 billion. Cash from operations was used principally for loans repayments of €341 million and stock repurchases of €256 million.
- **Balance Sheet (IFRS):** Dassault Systèmes’ net financial debt at September 30, 2021 decreased by €0.85 billion to €(1.20) billion, compared to €(2.04) billion at December 31, 2020, reflecting cash, cash

equivalents and short-term investments of €2.67 billion and debt related to borrowings of €3.87 billion at September 30, 2021.

Financial Objectives for 2021

Dassault Systèmes' fourth quarter and full year 2021 financial objectives presented below are given on a non-IFRS basis and reflect the principal 2021 currency exchange rate assumptions for the US dollar and Japanese yen as well as the potential impact from additional non-Euro currencies:

	Q4 2021	FY 2021
Total Revenue	€1.307 to €1.332 billion	€4.800 to €4.825 billion
Growth	+7-9%	+8%
Growth ex FX*	+7-9%	+10-11%
Software revenue growth *	+8-9%	+11%
<i>Of which licenses and other software revenue growth *</i>	+8-12%	+21-22%
<i>Of which recurring revenue growth *</i>	+8-9%	+8-9%
Services revenue growth *	+4-9%	+4-6%
Operating Margin	35.8% – 36.4%	34.0% – 34.1%
EPS Diluted	€0.27 - €0.28	€0.94 - €0.95
Growth	+10-15%	+25%-27%
<i>US dollar</i>	<i>\$1.20 per Euro</i>	<i>\$1.20 per Euro</i>
<i>Japanese yen (before hedging)</i>	<i>JPY 130.0 per Euro</i>	<i>JPY 129.9 per Euro</i>

* Growth in Constant Currencies

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

The 2021 non-IFRS financial objectives set forth above do not take into account the following accounting elements below and are estimated based upon the 2021 principal currency exchange rates above: contract liabilities write-downs estimated at approximately €2 million; share-based compensation expenses, including related social charges, estimated at approximately €204 million; amortization of acquired intangibles and of tangibles reevaluation, estimated at approximately €365 million, largely impacted by the acquisition of Medidata; and lease incentives of acquired companies at approximately €3 million. The above objectives also do not include any impact from other operating income and expenses, net principally comprised of acquisition, integration and restructuring expenses, and impairment of goodwill and acquired intangible assets; from one-time items included in financial revenue; from one-time tax effects; and from the income tax effects of these non-IFRS adjustments. Finally, these estimates do not include any new stock option or share grants, or any new acquisitions or restructuring completed after September 30, 2021.

Corporate Announcements

- October 14, 2021: Dassault Systèmes enters into a strategic partnership with Bloom to leverage social inference analytics:** Bloom is the first artificial intelligence platform dedicated to qualitative, predictive and strategic analysis of social networks. Through its strategic partnership,

Dassault Systèmes will incorporate Bloom's unique and proprietary social inference technology, enabling clients to understand influence dynamics and anticipate major technological and sociological trends.

- **October 12, 2021: Dassault Systèmes partners with Synopsys:** The Synopsys Optical Solutions Group and Dassault Systèmes have extended their current CATIA applications partnership to the 3DEXPERIENCE platform to address the challenges of vehicles equipped with a range of advanced lighting and optical systems, including adaptive front-lighting, cameras, LIDAR and other sensors.
- **October 7, 2021 Dassault Systèmes Launches 3DEXPERIENCE Edu Centers of Excellence:** The global program provides students, professionals, learners, businesses and governments with a network of centers dedicated to experiential, lifelong learning with the 3DEXPERIENCE platform that enables the current and future workforce to accelerate the digital transformation of industry.
- **October 6, 2021 MEDIDATA Launches Groundbreaking Sensor Cloud Network:** MEDIDATA establishes the first industry-wide collaboration amongst contract research organizations (CROs), device manufacturers, drug and vaccine developers, analytics companies, and academia focused on solving challenges related to sensor integrations, standardization of sensor data, and the development of digital biomarkers and algorithms. This collaborative environment and approach is unique in its ability to connect to the MEDIDATA Sensor Cloud, which provides the ability to ingest, normalize, and analyze data into a common format.
- **September 7, 2021 German Premium Automobile Manufacturer Deploys Dassault Systèmes' Solution for Production Planning and Scheduling at E-Drive Production Sites in Europe:** The program to optimize plant performance by digitally transforming production planning and scheduling is now live as part of its partnership with BMW Group. Dassault Systèmes' DELMIA Quintiq applications were successfully deployed to optimize the production and assembly of E-Drive components at the BMW Group plants in Dingolfing, Leipzig and Regensburg.
- **September 2, 2021 Software République launches innovation challenge:** To stimulate innovation within an open ecosystem, Atos, Dassault Systèmes, Orange, Renault Group, STMicroelectronics, and Thales, organized a new competition: 'The Mobility 4.0 Challenge by the Software République'. Candidates including start-ups, entrepreneurs, SMEs, research institutes and academics are invited to submit their projects for sustainable and intelligent mobility based on data provided by the members of the Software République.

Today's Webcast and Conference Call Information

Today, Thursday, October 28, 2021, Dassault Systèmes will host a webcasted presentation at 9:00 AM London Time/ 10:00 AM Paris time and will then host a conference call at 9:00 AM New York time / 2:00 PM London time / 3:00 PM Paris time. The webcasted presentation and conference call will be available online by accessing investor.3ds.com.

Additional investor information is available at investor.3ds.com or by calling Dassault Systèmes' Investor Relations at +33.1.61.62.69.24.

Key Investor Relations Events

Fourth Quarter 2021 Earnings Release: February 3, 2022

Forward-looking Information

Statements herein that are not historical facts but express expectations or objectives for the future, including but not limited to statements regarding the Group's non-IFRS financial performance objectives are forward-looking statements. Such forward-looking statements are based on Dassault Systèmes management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results or performances may differ materially from those in such statements due to a range of factors.

The Group's actual results or performance may be materially negatively affected by numerous risks and uncertainties, as described in the "Risk Factors" section 1.9 of the 2020 Universal Registration Document ('Document d'enregistrement universel') filed with the AMF (French Financial Markets Authority) on March 19, 2021, as updated in the 2021 Half-Year Financial Report ('Rapport Financier Semestriel' as of June 30, 2021) filed with the AMF on July 27, 2021, both available on the Group's website www.3ds.com.

In particular, please refer to the risk factor "Uncertain Global Economic Environment" in section 1.9.1.1 of the 2020 Universal Registration Document set out below for ease of reference:

"In light of the uncertainties regarding economic, business, social, health, climate and geopolitical conditions at the global level, Dassault Systèmes' revenue, net earnings and cash flows may grow more slowly, whether on an annual or quarterly basis, mainly due to the following factors:

- the deployment of Dassault Systèmes' solutions may represent a large portion of a customer's investments in software technology. Decisions to make such an investment are impacted by the economic environment in which the customers operate. Uncertain global geopolitical, economic and health conditions and the lack of visibility or the lack of financial resources may cause some customers, e.g. within automotive, aerospace or natural resources industries, to reduce, postpone or terminate their investments, or to reduce or not renew ongoing paid maintenance for their installed base, which impact larger customers' revenue with their respective sub-contractors;
- the sales cycle of Dassault Systèmes' products – already relatively long due to the strategic nature of such investments for customers – could further lengthen;
- the political, economic and monetary situation in certain geographic regions where Dassault Systèmes operates could become more volatile and, for example, result in stricter export compliance rules or the modification of customs tariff;
- health conditions in some geographic areas where Dassault Systèmes operates will impact the economic situation of those regions. Specifically, it is not possible to predict the impact, length and scope of damages originating from the COVID-19 pandemic as of issuance date of this document. Health conditions, including the COVID-19 pandemic, may present risks for health and ability to travel for Dassault Systèmes employees; and
- continued pressure or volatility on raw materials and energy prices could also slow down Dassault Systèmes' industry diversification efforts."

Dassault Systèmes makes every effort to take into consideration this uncertain macroeconomic outlook. Dassault Systèmes' business results, however, may not develop as anticipated. Furthermore, due to factors affecting sales of Dassault Systèmes' products and services, there may be a substantial time lag between an improvement in global economic and business conditions and an upswing in the Group's business results.

The economic context (as notably caused by the COVID-19 pandemic crisis) may also adversely impact the financial situation or financing capabilities of Dassault Systèmes' existing and potential customers, commercial and technology partners, some of whom may be forced to temporarily close sites or cease operations due to cash flow and profitability issues. Dassault Systèmes' ability to collect outstanding receivables may be affected. In addition, the economic environment could generate increased price pressure, as customers seek lower prices from various competitors, which could negatively impact Dassault Systèmes' revenue, financial performance and market position.

In preparing such forward-looking statements, the Group has in particular assumed an average US dollar to euro exchange rate of US\$1.20 per €1.00 as well as an average Japanese yen to euro exchange rate of JPY130.0 to €1.00 before hedging for the fourth quarter and US\$1.20 per €1.00 as well as an average Japanese yen to euro exchange rate of JPY129.9 to €1.00 before hedging for the full year 2021. However, currency values fluctuate, and the Group's results may be significantly affected by changes in exchange rates.

Non-IFRS Financial Information

Readers are cautioned that the supplemental non-IFRS financial information presented in this press release is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered in isolation from or as a substitute for IFRS measurements. The supplemental non-IFRS financial information should be read only in conjunction with the Company's consolidated financial statements prepared in accordance with IFRS. Furthermore, the Group's supplemental non-IFRS financial information may not be comparable to similarly titled "non-IFRS" measures used by other companies. Specific limitations for individual non-IFRS measures are set forth in the Company's 2020 Universal Registration Document filed with the AMF on March 19, 2021.

In the tables accompanying this press release the Group sets forth its supplemental non-IFRS figures for revenue, operating income, operating margin, net income and diluted earnings per share, which exclude the effect of adjusting the carrying value of acquired companies' deferred revenue, share-based compensation expense and related social charges, the amortization of acquired intangible assets and of tangibles reevaluation, certain other operating income and expense, net, including impairment of goodwill and acquired intangibles, the effect of adjusting lease incentives of acquired companies, certain one-time items included in financial revenue and other, net, and the income tax effect of the non-IFRS adjustments and certain one-time tax effects. The tables also set forth the most comparable IFRS financial measure and reconciliations of this information with non-IFRS information.

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About Dassault Systèmes

Dassault Systèmes, the **3DEXPERIENCE** Company, is a catalyst for human progress. We provide business and people with collaborative virtual environments to imagine sustainable innovations. By creating 'virtual twin experience' of the real world with our **3DEXPERIENCE** platform and applications, our customers push the boundaries of innovation, learning and production.

Dassault Systèmes' 20,000 employees are bringing value to more than 290,000 customers of all sizes, in all industries, in more than 150 countries. For more information, visit www.3ds.com

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(Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures).

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Condensed consolidated balance sheets

Condensed consolidated cash flow statements

IFRS – non-IFRS reconciliation

DASSAULT SYSTEMES - Glossary of Definitions

Information in Constant Currencies

We have followed a long-standing policy of measuring our revenue performance and setting our revenue objectives exclusive of currency in order to measure in a transparent manner the underlying level of improvement in our total revenue and software revenue by activity, industry, geography and product line. We believe it is helpful to evaluate our growth exclusive of currency impacts, particularly to help understand revenue trends in our business. Therefore, we provide percentage increases or decreases in our revenue, expenses and EPS (in both IFRS as well as non-IFRS) to eliminate the effect of changes in currency values, particularly the U.S. dollar and the Japanese yen, relative to the euro. Variations in constant currencies are obtained by comparing the performances of the current period with those of the comparable period recalculated using the average exchange rates of the current period.

While constant currency calculations are not considered to be an IFRS measure, we do believe these measures are critical to understanding our global revenue results and to compare with many of our competitors who report their financial results in U.S. dollars. Therefore, we are including this calculation for comparing IFRS revenue figures for comparable periods as well as for comparing non-IFRS revenue figures for comparable periods. All constant currency information is provided on an approximate basis.

Information on Growth excluding acquisitions (“organic growth”)

In addition to financial indicators on the entire Group’s scope, Dassault Systèmes provides growth excluding the impact of acquisitions, also named organic growth. The related growth rate is determined by restating the scope of activity as follows: for entities entering the consolidation scope in the current year, subtracting the contribution of the acquisition from the aggregates of the current year and, for entities entering the consolidation scope in the previous year, subtracting the contribution of the acquisition from January 1st of the current year, until the last day of the month of the current year when the acquisition was made the previous year.

Information on Industrial Sectors

Dassault Systèmes’ Industries develop Solution Experiences, industry-focused offerings that deliver specific value to companies and users in a particular industry. We serve eleven industries structured into three sectors:

- Manufacturing Industries: Transportation & Mobility; Aerospace & Defense; Marine & Offshore; Industrial Equipment; High-Tech; Home & Lifestyle; Consumer Packaged Goods & Retail and a portion of Business Services;
- Life Sciences & Healthcare: Life Sciences & Healthcare;
- Infrastructure & Cities: Energy & Materials; Construction, Cities and Territories; Business Services.

Information on Product Lines

Our product lines financial reporting include: 1) Industrial Innovation software revenue, comprised of our CATIA, ENOVIA, SIMULIA, DELMIA, GEOVIA, NETVIBES, and 3DEXCITE brands; 2) Life Sciences software revenue, comprised of our MEDIDATA and BIOVIA brands; and 3) Mainstream Innovation software revenue, comprised of CENTRIC PLM and 3DVIA brands as well as our 3DEXPERIENCE WORKS family which includes our SOLIDWORKS brand.

3DEXPERIENCE Licenses and Software Contribution

To measure the progressive penetration of 3DEXPERIENCE software, we use the following ratios: a) for Licenses revenue, we calculate the percentage contribution by comparing total 3DEXPERIENCE Licenses revenue to Licenses revenue for all product lines except SOLIDWORKS and acquisitions (“related Licenses

revenue”); and, b) for software revenue, the Group calculates the percentage contribution by comparing total **3DEXPERIENCE** software revenue to software revenue for all product lines except SOLIDWORKS and acquisitions (“related software revenue”).

DASSAULT SYSTEMES
NON-IFRS FINANCIAL INFORMATION

(unaudited; in millions of Euros, except per share data, percentages, headcount and exchange rates)

Non-IFRS key figures exclude the effects of adjusting the carrying value of acquired companies' contract liabilities (deferred revenue), share-based compensation expenses, including related social charges, amortization of acquired intangible assets and of tangible assets revaluation, lease incentives of acquired companies, other operating income and expense, net, including the acquisition, integration and restructuring expenses, and impairment of goodwill and acquired intangible assets, certain one-time items included in financial income (loss), net, certain one-time tax effects and the income tax effects of these non-IFRS adjustments.

Comparable IFRS financial information and a reconciliation of the IFRS and non-IFRS measures are set forth in the separate tables within this attachment.

In millions of Euros, except per share data, percentages, headcount and exchange rates	Non-IFRS reported							
	Three months ended				Nine months ended			
	September 30, 2021	September 30, 2020	Change	Change in constant currencies	September 30, 2021	September 30, 2020	Change	Change in constant currencies
Total Revenue	€ 1,158.8	€ 1,030.2	12%	12%	€ 3,493.9	€ 3,245.2	8%	11%
Revenue breakdown by activity								
Software revenue	1,044.7	934.9	12%	11%	3,164.4	2,918.3	8%	12%
<i>Of which licenses and other software revenue</i>	208.3	167.0	25%	24%	635.2	508.5	25%	29%
<i>Of which subscription and support revenue</i>	836.4	767.9	9%	8%	2,529.2	2,409.8	5%	9%
Services revenue	114.1	95.4	20%	19%	329.5	326.8	1%	4%
Software revenue breakdown by product line								
Industrial Innovation ⁽¹⁾	555.3	513.9	8%	8%	1,735.6	1,664.7	4%	7%
Life Sciences ⁽²⁾	226.5	190.1	19%	19%	654.7	578.9	13%	19%
Mainstream Innovation	262.9	230.8	14%	13%	774.1	674.8	15%	20%
Revenue breakdown by geography								
Americas	448.5	394.4	14%	14%	1,361.2	1,262.1	8%	14%
Europe	420.5	380.4	11%	9%	1,277.1	1,179.8	8%	9%
Asia	289.8	255.4	13%	14%	855.5	803.3	7%	10%
Operating income	€ 392.1	€ 290.9	35%		€ 1,163.3	€ 911.2	28%	
Operating margin	33.8%	28.2%			33.3%	28.1%		
Net income attributable to shareholders	€ 296.5	€ 210.3	41%		€ 885.1	€ 671.7	32%	
Diluted earnings per share ⁽³⁾	€ 0.22	€ 0.16	40%	40%	€ 0.67	€ 0.51	31%	36%
Closing headcount	21,991	21,557	2%		21,991	21,557	2%	
Average Rate USD per Euro	1.18	1.17	1%		1.20	1.13	6%	
Average Rate JPY per Euro	129.76	124.05	5%		129.83	120.91	7%	

⁽¹⁾ Excluding ENOVIA Life Sciences Compliance and Quality Management

⁽²⁾ Including ENOVIA Life Sciences Compliance and Quality Management

⁽³⁾ 2020 figures have been restated and 2021 presented in order to reflect the five-for-one stock split on Dassault Systèmes' share effected on July 7, 2021

DASSAULT SYSTEMES
ACQUISITIONS AND FOREIGN EXCHANGE IMPACT

(unaudited; in millions of Euros)

In millions of Euros	Non-IFRS reported			o/w growth at constant rate and scope	o/w change of scope impact at current year rate	o/w FX impact on previous year figures
	September 30, 2021	September 30, 2020	Change			
Revenue QTD	1,158.8	1,030.2	128.6	123.3	0.5	4.7
Revenue YTD	3,493.9	3,245.2	248.7	351.8	2.4	(105.6)

DASSAULT SYSTEMES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited; in millions of Euros, except per share data and percentages)

In millions of Euros, except per share data and percentages	IFRS reported			
	Three months ended		Nine months ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Licenses and other software revenue	208.3	167.0	635.2	508.5
Subscription and Support revenue	836.3	767.3	2,527.9	2,398.8
Software revenue	1,044.6	934.3	3,163.1	2,907.3
Services revenue	114.1	95.3	329.2	325.7
Total Revenue	€ 1,158.7	€ 1,029.6	€ 3,492.4	€ 3,233.0
Cost of software revenue ⁽¹⁾	(100.1)	(96.3)	(297.8)	(249.1)
Cost of services revenue	(92.2)	(88.7)	(285.6)	(316.6)
Research and development expenses	(233.8)	(230.1)	(700.2)	(703.7)
Marketing and sales expenses	(303.5)	(294.1)	(922.9)	(941.4)
General and administrative expenses	(93.7)	(85.9)	(283.5)	(284.3)
Amortization of acquired intangible assets and of tangible assets revaluation	(95.2)	(92.8)	(273.9)	(302.7)
Other operating income and expense, net	(3.2)	(17.0)	(27.3)	(48.9)
Total Operating Expenses	(921.7)	(904.9)	(2,791.2)	(2,846.6)
Operating Income	€ 237.0	€ 124.7	€ 701.1	€ 386.4
Financial loss, net	(4.7)	(5.9)	(12.6)	(18.9)
Income before income taxes	€ 232.3	€ 118.8	€ 688.5	€ 367.4
Income tax expense	(52.3)	(27.7)	(151.9)	(87.1)
Net Income	€ 180.1	€ 91.0	€ 536.6	€ 280.3
Non-controlling interest	(0.5)	0.9	0.0	6.9
Net Income attributable to equity holders of the parent	€ 179.5	€ 91.9	€ 536.6	€ 287.3
Basic earnings per share ⁽²⁾	0.14	0.07	0.41	0.22
Diluted earnings per share ⁽²⁾	€ 0.14	€ 0.07	€ 0.41	€ 0.22
Basic weighted average shares outstanding (in millions)	1,313.4	1,305.5	1,309.7	1,301.4
Diluted weighted average shares outstanding (in millions)	1,325.4	1,315.9	1,324.3	1,314.9

⁽¹⁾ Excluding amortization of acquired intangible assets and of tangible assets revaluation

⁽²⁾ 2020 figures have been restated in order to reflect the five-for-one share split on Dassault Systèmes' share effected on July 7, 2021

IFRS reported	Three months ended September 30, 2021		Nine months ended September 30, 2021	
	Change ⁽⁵⁾	Change in constant currencies	Change ⁽⁵⁾	Change in constant currencies
Revenue	13%	12%	8%	12%
Revenue by activity				
Software revenue	12%	11%	9%	12%
Services revenue	20%	19%	1%	4%
Software Revenue by product line				
Industrial Innovation ⁽³⁾	8%	8%	4%	7%
Life Sciences ⁽⁴⁾	19%	20%	15%	21%
Mainstream Innovation	14%	13%	15%	20%
Revenue by geography				
Americas	14%	14%	9%	15%
Europe	11%	9%	8%	9%
Asia	13%	14%	7%	10%

⁽³⁾ Excluding ENOVIA Life Sciences Compliance and Quality Management

⁽⁴⁾ Including ENOVIA Life Sciences Compliance and Quality Management

⁽⁵⁾ Variation compared to the same period in the prior year

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

In millions of Euros	IFRS reported	
	September 30, 2021	December 31, 2020
ASSETS		
Cash and cash equivalents	2,670.4	2,148.9
Trade accounts receivable, net	981.9	1,229.1
Contract assets	15.0	27.0
Other current assets	333.3	355.4
Total current assets	4,000.6	3,760.3
Property and equipment, net	823.5	861.1
Goodwill and intangible assets, net	8,084.6	7,937.2
Other non-current assets	461.4	405.6
Total non-current assets	9,369.5	9,203.9
Total Assets	€ 13,370.1	€ 12,964.2
LIABILITIES AND EQUITY		
Trade accounts payable	141.6	171.7
Contract liabilities	1,155.2	1,169.1
Borrowings, current	902.4	16.0
Other current liabilities	681.1	730.1
Total current liabilities	2,880.4	2,086.9
Borrowings, non-current	2,962.7	4,174.3
Other non-current liabilities	1,564.3	1,596.9
Total non-current liabilities	4,527.0	5,771.2
Non-controlling interests	8.4	44.8
Parent shareholders' equity	5,954.2	5,061.3
Total Liabilities and equity	€ 13,370.1	€ 12,964.2

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

In millions of Euros	IFRS reported					
	Three months ended			Nine months ended		
	September 30,	September 30,	Change	September 30,	September 30,	Change
	2021	2020		2021	2020	
Net income attributable to equity holders of the parent	179.5	91.9	87.6	536.6	287.3	249.3
Non-controlling interest	0.5	(0.9)	1.4	-	(6.9)	6.9
Net income	180.1	91.0	89.1	536.6	280.3	256.3
Depreciation of property and equipment	43.4	43.8	(0.4)	130.4	135.5	(5.1)
Amortization of intangible assets	96.5	96.1	0.4	283.1	312.3	(29.2)
Adjustments for other non-cash items	25.2	33.5	(8.3)	104.4	103.4	1.0
Changes in working capital	(129.0)	(116.1)	(12.9)	194.9	171.8	23.1
Net Cash Provided by (Used in) Operating Activities	€ 216.1	€ 148.3	€ 67.8	€ 1,249.4	€ 1,003.3	€ 246.1
Additions to property, equipment and intangibles	(17.0)	(17.3)	0.3	(73.7)	(104.7)	31.0
Purchases of short-term investments	(0.2)	-	(0.2)	(0.2)	-	(0.2)
Payment for acquisition of businesses, net of cash acquired	(7.4)	(0.6)	(6.8)	(7.4)	(20.0)	12.6
Other	(2.3)	0.1	(2.4)	(11.5)	2.5	(14.0)
Net Cash Provided by (Used in) Investing Activities	€ (26.9)	€ (17.8)	€ (9.1)	€ (92.9)	€ (122.2)	€ 29.3
Proceeds from exercise of stock options	47.9	28.7	19.2	122.8	76.0	46.8
Cash dividends paid	-	-	-	(147.1)	(182.5)	35.4
Repurchase and sale of treasury stock	(161.9)	1.0	(162.9)	(256.3)	(103.7)	(152.6)
Acquisition of non-controlling interests	(0.1)	-	(0.1)	(0.1)	-	(0.1)
Proceeds from borrowings	1.3	10.4	(9.1)	1.3	12.2	(10.9)
Repayment of borrowings	(329.3)	(0.1)	(329.2)	(340.5)	(0.1)	(340.4)
Repayment of lease liabilities	(24.0)	(22.0)	(2.0)	(73.2)	(69.4)	(3.8)
Net Cash Provided by (Used in) Financing Activities	€ (466.1)	€ 18.0	€ (484.1)	€ (693.1)	€ (267.4)	€ (425.7)
Effect of exchange rate changes on cash and cash equivalents	28.3	(42.0)	70.3	58.2	(52.5)	110.7
Increase (decrease) in cash and cash equivalents	€ (248.6)	€ 106.4	€ (355.0)	€ 521.5	€ 561.2	€ (39.7)
Cash and cash equivalents at beginning of period	€ 2,919.0	€ 2,399.7		€ 2,148.9	€ 1,944.9	
Cash and cash equivalents at end of period	€ 2,670.4	€ 2,506.1		€ 2,670.4	€ 2,506.1	

DASSAULT SYSTEMES
SUPPLEMENTAL NON-IFRS FINANCIAL INFORMATION
IFRS – NON-IFRS RECONCILIATION

(unaudited; in millions of Euros, except per share data and percentages)

Readers are cautioned that the supplemental non-IFRS information presented in this press release is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Group's supplemental non-IFRS financial information may not be comparable to similarly titled "non-IFRS" measures used by other companies. Further specific limitations for individual non-IFRS measures, and the reasons for presenting non-IFRS financial information, are set forth in the Group's *Document d'Enregistrement Universel* for the year ended December 31, 2020 filed with the AMF on March 19, 2021. To compensate for these limitations, the supplemental non-IFRS financial information should be read not in isolation, but only in conjunction with the Group's consolidated financial statements prepared in accordance with IFRS.

In millions of Euros, except per share data and percentages	Three months ended September 30,						Change	
	2021 IFRS	Adjustment ⁽¹⁾	2021 Non-IFRS	2020 IFRS	Adjustment ⁽¹⁾	2020 Non-IFRS	IFRS	Non-IFRS ⁽⁴⁾
Total Revenue	€ 1,158.7	€ 0.1	€ 1,158.8	€ 1,029.6	€ 0.6	€ 1,030.2	13%	12%
Revenue breakdown by activity								
Software revenue	1,044.6	0.1	1,044.7	934.3	0.5	934.9	12%	12%
Licenses and other software revenue	208.3	-	208.3	167.0	-	167.0	25%	25%
Subscription and Support revenue	836.3	0.1	836.4	767.3	0.5	767.9	9%	9%
<i>Recurring portion of Software revenue</i>	<i>80%</i>		<i>80%</i>	<i>82%</i>		<i>82%</i>		
Services revenue	114.1	-	114.1	95.3	0.1	95.4	20%	20%
Software Revenue breakdown by product line								
Industrial Innovation ⁽²⁾	555.3	-	555.3	513.9	-	513.9	8%	8%
Life Sciences ⁽³⁾	226.5	-	226.5	189.8	0.4	190.1	19%	19%
Mainstream Innovation	262.9	0.1	262.9	230.7	0.1	230.8	14%	14%
Revenue breakdown by geography								
Americas	448.5	0.1	448.5	393.9	0.5	394.4	14%	14%
Europe	420.4	0.0	420.5	380.3	0.1	380.4	11%	11%
Asia	289.8	-	289.8	255.4	-	255.4	13%	13%
Total Operating Expenses	€ (921.7)	€ 155.0	€ (766.7)	€ (904.9)	€ 165.6	€ (739.3)	2%	4%
Share-based compensation expense and related social charges	(56.0)	56.0	-	(55.1)	55.1	-		
Amortization of acquired intangible assets and of tangible assets revaluation	(95.2)	95.2	-	(92.8)	92.8	-		
Lease incentives of acquired companies	(0.7)	0.7	-	(0.7)	0.7	-		
Other operating income and expense, net	(3.2)	3.2	-	(17.0)	17.0	-		
Operating Income	€ 237.0	€ 155.1	€ 392.1	€ 124.7	€ 166.2	€ 290.9	90%	35%
Operating Margin	20.5%		33.8%	12.1%		28.2%		
Financial loss, net	(4.7)	0.4	(4.2)	(5.9)	0.2	(5.7)	(22)%	(26)%
Income tax expense	(52.3)	(37.7)	(89.9)	(27.7)	(46.6)	(74.3)	88%	21%
Non-controlling interest	(0.5)	(0.9)	(1.5)	0.9	(1.4)	(0.5)	(162)%	182%
Net income attributable to shareholders	€ 179.5	€ 116.9	€ 296.5	€ 91.9	€ 118.4	€ 210.3	95%	41%
Diluted Earnings Per Share ⁽⁵⁾	€ 0.14	€ 0.09	€ 0.22	€ 0.07	€ 0.09	€ 0.16	94%	40%

⁽¹⁾ In the reconciliation schedule above, (i) all adjustments to IFRS revenue data reflect the exclusion of the effect of adjusting the carrying value of acquired companies' contract liabilities (deferred revenue); (ii) adjustments to IFRS operating expense data reflect the exclusion of the amortization of acquired intangible assets and of tangible assets revaluation, share-based compensation expense, including related social charges, lease incentives of acquired companies, as detailed below, and other operating income and expense, net including acquisition, integration and restructuring expenses, and impairment of goodwill and acquired intangible assets (iii) adjustments to IFRS financial loss, net reflect the exclusion of certain one-time items included in financial loss, net, and (iv) all adjustments to IFRS income data reflect the combined effect of these adjustments, plus with respect to net income and diluted earnings per share, certain one-time tax effects and the income tax effect of the non-IFRS adjustments.

In millions of Euros, except percentages	Three months ended September 30,							Change		
	2021 IFRS	Share-based compensation expense and related social charges	Lease incentives of acquired companies	2021 Non-IFRS	2020 IFRS	Share-based compensation expense and related social charges	Lease incentives of acquired companies	2020 Non-IFRS	IFRS	Non-IFRS
Cost of revenue	(192.3)	3.2	0.2	(188.9)	(185.0)	3.6	0.2	(181.2)	4%	4%
Research and development expenses	(233.8)	21.2	0.3	(212.3)	(230.1)	19.9	0.3	(209.9)	2%	1%
Marketing and sales expenses	(303.5)	17.1	0.1	(286.3)	(294.1)	16.4	0.1	(277.6)	3%	3%
General and administrative expenses	(93.7)	14.5	0.1	(79.1)	(85.9)	15.2	0.1	(70.7)	9%	12%
Total		€ 56.0	€ 0.7			€ 55.1	€ 0.7			

⁽²⁾ Excluding ENOVIA Life Sciences Compliance and Quality Management.

⁽³⁾ Including ENOVIA Life Sciences Compliance and Quality Management.

⁽⁴⁾ The non-IFRS percentage increase (decrease) compares non-IFRS measures for the two different periods. In the event there is non-IFRS adjustment to the relevant measure for only one of the periods under comparison, the non-IFRS increase (decrease) compares the non-IFRS measure to the relevant IFRS measure.

⁽⁵⁾ Based on a weighted average 1,325.4 million diluted shares for Q3 2021 and 1,315.9 million diluted shares for Q3 2020. 2020 figures have been restated in order to reflect the five-for-one share split on Dassault Systèmes' share effected on July 7, 2021.

DASSAULT SYSTEMES
SUPPLEMENTAL NON-IFRS FINANCIAL INFORMATION
IFRS – NON-IFRS RECONCILIATION

(unaudited; in millions of Euros, except per share data and percentages)

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In millions of Euros, except per share data and percentages	Nine months ended September 30,						Change	
	2021 IFRS	Adjustment ⁽¹⁾	2021 Non-IFRS	2020 IFRS	Adjustment ⁽¹⁾	2020 Non-IFRS	IFRS	Non-IFRS ⁽⁴⁾
Total Revenue	€ 3,492.4	€ 1.5	€ 3,493.9	€ 3,233.0	€ 12.2	€ 3,245.2	8%	8%
Revenue breakdown by activity								
Software revenue	3,163.1	1.3	3,164.4	2,907.3	11.0	2,918.3	9%	8%
Licenses and other software revenue	635.2	-	635.2	508.5	-	508.5	25%	25%
Subscription and Support revenue	2,527.9	1.3	2,529.2	2,398.8	11.0	2,409.8	5%	5%
<i>Recurring portion of Software revenue</i>	<i>80%</i>		<i>80%</i>	<i>83%</i>		<i>83%</i>		
Services revenue	329.2	0.2	329.5	325.7	1.2	326.8	1%	1%
Software Revenue breakdown by product line								
Industrial Innovation ⁽²⁾	1,735.6	-	1,735.6	1,663.9	0.8	1,664.7	4%	4%
Life Sciences ⁽³⁾	653.7	1.0	654.7	569.2	9.7	578.9	15%	13%
Mainstream Innovation	773.8	0.3	774.1	674.2	0.5	674.8	15%	15%
Revenue breakdown by geography								
Americas	1,359.9	1.3	1,361.2	1,250.7	11.5	1,262.1	9%	8%
Europe	1,277.0	0.1	1,277.1	1,179.4	0.4	1,179.8	8%	8%
Asia	855.5	-	855.5	802.9	0.4	803.3	7%	7%
Total Operating Expenses	€ (2,791.2)	€ 460.7	€ (2,330.5)	€ (2,846.6)	€ 512.7	€ (2,333.9)	(2)%	(0)%
Share-based compensation expense and related social charges	(157.4)	157.4	-	(158.9)	158.9	-		
Amortization of acquired intangible assets and of tangible assets revaluation	(273.9)	273.9	-	(302.7)	302.7	-		
Lease incentives of acquired companies	(2.1)	2.1	-	(2.2)	2.2	-		
Other operating income and expense, net	(27.3)	27.3	-	(48.9)	48.9	-		
Operating Income	€ 701.1	€ 462.2	€ 1,163.3	€ 386.4	€ 524.9	€ 911.2	81%	28%
Operating Margin	20.1%		33.3%	12.0%		28.1%		
Financial loss, net	(12.6)	1.2	(11.4)	(18.9)	0.7	(18.2)	(33)%	(37)%
Income tax expense	(151.9)	(111.3)	(263.2)	(87.1)	(137.3)	(224.4)	74%	17%
Non-controlling interest	0.0	(3.6)	(3.6)	6.9	(3.9)	3.0	(100)%	(220)%
Net income attributable to shareholders	€ 536.6	€ 348.5	€ 885.1	€ 287.3	€ 384.4	€ 671.7	87%	32%
Diluted Earnings Per Share ⁽⁵⁾	€ 0.41	€ 0.26	€ 0.67	€ 0.22	€ 0.29	€ 0.51	85%	31%

⁽¹⁾ In the reconciliation schedule above, (i) all adjustments to IFRS revenue data reflect the exclusion of the effect of adjusting the carrying value of acquired companies' contract liabilities (deferred revenue); (ii) adjustments to IFRS operating expense data reflect the exclusion of the amortization of acquired intangible assets and of tangible assets revaluation, share-based compensation expense, including related social charges, lease incentives of acquired companies, as detailed below, and other operating income and expense, net including acquisition, integration and restructuring expenses, and impairment of goodwill and acquired intangible assets (iii) adjustments to IFRS financial loss, net reflect the exclusion of certain one-time items included in financial loss, net, and (iv) all adjustments to IFRS income data reflect the combined effect of these adjustments, plus with respect to net income and diluted earnings per share, certain one-time tax effects and the income tax effect of the non-IFRS adjustments.

In millions of Euros, except percentages	Nine months ended September 30,							Change		
	2021 IFRS	Share-based compensation expense and related social charges	Lease incentives of acquired companies	2021 Non-IFRS	2020 IFRS	Share-based compensation expense and related social charges	Lease incentives of acquired companies	2020 Non-IFRS	IFRS	Non-IFRS
Cost of revenue	(583.4)	10.1	0.6	(572.7)	(565.7)	9.6	0.6	(555.4)	3%	3%
Research and development expenses	(700.2)	55.3	0.9	(644.0)	(703.7)	56.6	1.0	(646.0)	(0)%	(0)%
Marketing and sales expenses	(922.9)	45.0	0.3	(877.6)	(941.4)	46.6	0.3	(894.4)	(2)%	(2)%
General and administrative expenses	(283.5)	47.0	0.2	(236.3)	(284.3)	46.0	0.3	(238.0)	(0)%	(1)%
Total	€ 157.4	€ 2.1			€ 158.9	€ 2.2				

⁽²⁾ Excluding ENOVIA Life Sciences Compliance and Quality Management.

⁽³⁾ Including ENOVIA Life Sciences Compliance and Quality Management.

⁽⁴⁾ The non-IFRS percentage increase (decrease) compares non-IFRS measures for the two different periods. In the event there is non-IFRS adjustment to the relevant measure for only one of the periods under comparison, the non-IFRS increase (decrease) compares the non-IFRS measure to the relevant IFRS measure.

⁽⁵⁾ Based on a weighted average 1,324.3 million diluted shares for YTD 2021 and 1,314.9 million diluted shares for YTD 2020. 2020 figures have been restated in order to reflect the five-for-one share split on Dassault Systèmes' share effected on July 7, 2021.