



Dassault Systèmes Updates Multi-year Growth Plan, Targets 2020-2024 Non-IFRS EPS CAGR of About 13% to €6.00

VÉLIZY-VILLACOUBLAY, France — November 17, 2020 — [Dassault Systèmes](https://www.dassault-systemes.com) (Euronext Paris: #13065, DSY.PA) in conjunction with its 2020 Capital Markets Day being held today, is providing an update to its 2019-2023 Multi-year growth plan, initially announced in June of 2018.

The Capital Markets Day, dedicated to analysts and investors, is being hosted online and includes presentations by the Executive Management and customers. The recorded sessions will be available for replay following completion of the Capital Markets Day by accessing <https://investor.3ds.com/>.

Bernard Charlès, Dassault Systèmes' Vice Chairman and Chief Executive Officer commented, *“As we look to the next five years I believe we are positioned to accelerate Dassault Systèmes' contribution to industries, the environment and to human health leveraging industry platformization and data intelligence. The Manufacturing sector is accelerating its sustainable innovation initiatives thus creating demand for data modeling and simulation, a sweet spot for Dassault Systèmes. For example, we are working with clients to redefine the future of Mobility, enabling an end-to-end perspective of the customer experience from conception to engineering to new mobility services. For consumer-centric clients our industry solutions are critical to enable them to be the first to market responding to changing consumer behaviors' across many aspects of their lives. In the Life Sciences & Healthcare sector, we are working with industry participants to move toward a patient-centric perspective. Finally, we are advancing initiatives with multiple industries, government entities and new emerging disruptors to reinvent Infrastructure & Cities to create a sustainable future.*

“More broadly, at the outset of this year, we set a multi-decade ambition for Dassault Systèmes – challenging ourselves to help enable the virtual twin experience of Humans. Adding to our current capabilities served by our three sectors today, we believe this represents a potential available market (PAM) of \$100 billion that we are moving towards with our Research & Development initiatives.”

Pascal Daloz, Dassault Systèmes' Chief Operating Officer & Chief Financial Officer, commented, *“We have made important financial, market and operational progress since our last Capital Markets Day in mid-2018. We achieved our five-year doubling of our non-IFRS earnings per share in 2019, drove a software TAM expansion to \$41 billion from \$28 billion, reached our goal of a 50-50 mix contribution between our Core and Diversification industries and transitioned to our next generation leadership team. Dassault Systèmes now addresses three major sectors of the global economy, with the leading market position in two of them – Manufacturing Industries and Life Sciences & Healthcare.*

“Looking forward, we are positioned to achieve another doubling of our non-IFRS EPS to about €6 per share in 2024, driven by 3DEXPERIENCE adoption by our installed base and new customers.

“In summary, we believe the market opportunities for Dassault Systèmes are significant. Our underlying five-year plan includes non-IFRS revenue growth of about 10% in constant currency, well supported by double-digit non-IFRS revenue growth in Life Sciences & Healthcare as well as Infrastructure & Cities, with non-IFRS operating margin expansion of about 290 basis points, leading to a five-year non-IFRS EPS CAGR of about 13%. Our revenue initiatives will likely drive our Cloud footprint up significantly, representing about €2 billion in potential cloud software non-IFRS revenue by 2025. We also see significant growth in

operating cash flow, with an average annual operating cash flow of about €1.5 billion over this 2020-2024 timeframe, enabling us to maintain significant financial flexibility to advance our strategic priorities.”

Capital Markets Day Timing and Replay Information

Today, Tuesday, November 17, 2020, Dassault Systèmes is hosting a webcasted presentation beginning at 8:00 AM New York time / 2:00 PM Paris time / 1:00 PM London time, with a duration of about 3 ½ hours.

The on demand webcast of the event will be available from November 20, 2020 on Dassault Systèmes’ investor website at <https://investor.3ds.com>.

Key Investor Relations Events

Fourth Quarter 2020 Earnings Release: February 4, 2021

First Quarter 2021 Earnings Release: April 28, 2021

Second Quarter 2021 Earnings Release: July 27, 2021

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 EPS performance objective or financial framework, 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 also be materially negatively affected by numerous risks and uncertainties, as described in the “Risk Factors” section of the 2019 Document d'enregistrement universel (Annual Report) filed with the AMF (French Financial Markets Authority) on March 19, 2020, as updated in the Rapport Financier Semestriel au 30 juin 2020 (2020 Half-Year Financial Report) filed with the AMF on July 24, 2020, both available on the Group’s website www.3ds.com.

In particular, please refer to the risk factor “Uncertain Global Economic Environment” in section 1.7.1.1 of the 2019 Document d'enregistrement universel (Annual Report), set out below for ease of reference:

“In light of the uncertainties regarding economic, business, social, health 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; and

- 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 current tariff regimes;
- 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' diversification efforts in new industries.

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.”

The Group's 2020-2024 non-IFRS EPS objective and key underlying financial estimates are based upon the following principal exchange rates over this timeframe: 1) an average US dollar to euro exchange rate of US\$1.20 per €1.00; 2) an average Japanese yen to euro exchange rate of JPY125.0 to €1.00 before hedging; as well as 3) a continuation of current exchange rates for other major currencies in which it transacts business. However, currency values fluctuate, and the Group's results of operations may be significantly affected by changes in exchange rates.

Non-IFRS Financial Information

Readers are cautioned that the non-IFRS information presented in this press release is subject to inherent limitations. This information is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. In addition, the Group's 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 2019 Document d'enregistrement universel (Annual Report) filed with the AMF on March 19, 2020.

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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 experience twins’ 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 270,000 customers of all sizes, in all industries, in more than 140 countries. For more information, visit www.3ds.com

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