

## Dassault Systèmes: Outperforming Third Quarter; Confirming Full-Year Objectives

[Dassault Systèmes](#) (Euronext Paris: FR0014003TT8, DSY.PA), today announced IFRS unaudited financial results for the third quarter ended September 30, 2023. The Group's Board of Directors approved these results on October 24, 2023. This press release includes financial information on a non-IFRS basis and reconciliations with IFRS figures in the Appendix.

### Summary Highlights

(unaudited, IFRS and non-IFRS unless otherwise noted,  
all revenue growth rates in constant currencies)

- 3Q23: Software revenue up 12%, above high end of our target range;
- 3Q23: Subscription revenue up 18%, accelerating sequentially, driven by an increasing share of large **3DEXPERIENCE** deals and broad-based adoption of the subscription model;
- 3Q23: Strong rebound in licenses & other revenue, up 20%;
- 3Q23: **3DEXPERIENCE** delivered a remarkable growth of 46% in software revenue;
- 3Q23: Non-IFRS Operating Margin<sup>1</sup> of 31.0%, representing a 50 basis point improvement excluding effects from currency exchange, compared to the same period last year;
- 3Q23: Non-IFRS Diluted EPS<sup>2</sup> at €0.28, up 7% as reported, or 20% in constant currencies, outperforming objectives;
- FY2023: Confirming revenue growth of 8%-9% and increasing diluted EPS by 1 cent to now €1.19-€1.21. Well on-track to achieve our five-year plan of doubling EPS by 2023 as initially planned.

**Bernard Charlès, Dassault Systèmes' Chairman of the Board and Chief Executive Officer commented:**

"Today, our clients are driven by the ambition to bring about a metamorphosis where they not only embrace a sustainable economy, accomplishing more with fewer resources, but also

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<sup>1</sup> IFRS Operating Margin: 21.2%

<sup>2</sup> IFRS diluted EPS up 13% as reported at €0.18

cultivate an experience economy characterized by personalization, contextualization, and automatic updates of experiences.

In this context, virtual twins, as central pillars of a company's knowledge and know-how, prove to be essential, not only during innovation phases but throughout the product lifecycle. They pave the way for more efficient resource management and the continuous enhancement of the user experience. Virtual twins enable 'software-defined experiences', shifting the value from physical assets to software, all the while empowering our clients to establish direct connections with their end customers, providing tailored experiences.

What sets us apart is our ability to provide a scientific representation of the world's complexity through our science-based virtual twin experiences. When combined with artificial intelligence, we can design 'human-centered generative experiences', placing humans at the core, amplifying their capabilities, bridging the real and the virtual, and facilitating informed decision-making.”

### **Dassault Systèmes' Deputy Chief Executive Officer & Chief Operating Officer Commentary**

#### **Pascal Daloz, Dassault Systèmes' Deputy Chief Executive Officer & Chief Operating Officer commented:**

“In the third quarter, we saw a significant number of large commercial agreements for our **3DEXPERIENCE** platform. This is driven by the imperative for our customers to gain a competitive edge while staying profitable, meeting regulatory sustainability deadlines, and decoupling economic growth from resource consumption.

Our solutions are gaining momentum in the manufacturing sector, particularly in Transportation & Mobility, Aerospace & Defense, Home & Lifestyle, and Consumer Packaged Goods & Retail. While entering a less favorable investment cycle in the Life Sciences sector, we firmly believe that the demand for new, efficient, and affordable drugs will necessitate breakthrough innovations an aspect deeply embedded in our DNA. By brand, this quarter has been outstanding for many of them, notably with double-digit growth for CATIA, SIMULIA, ENOVIA, DELMIA, NETVIBES, and CENTRIC PLM. This performance attests our ability to gain market share in multiple domains, strengthening our unique competitive position through our existing product portfolio.

The strength of our performance in core industries, together with our diversification across sectors and domains, position us well to achieve our 2018-2023 objective of doubling EPS within a 5-year period, as initially planned. These accomplishments lay a solid foundation for our next financial plan.”

## Financial Summary

In millions of Euros, except per share data and percentages	IFRS				IFRS			
	Q3 2023	Q3 2022	Change	Change in constant currencies	YTD 2023	YTD 2022	Change	Change in constant currencies
Total Revenue	1,424.7	1,373.0	4%	11%	4,308.0	4,081.4	6%	9%
Software Revenue	1,286.7	1,229.8	5%	12%	3,883.9	3,685.4	5%	9%
Operating Margin	21.2%	19.3%	+2.0pts		20.0%	22.3%	(2.4)pts	
Diluted EPS	0.18	0.16	13%		0.54	0.46	19%	

  

In millions of Euros, except per share data and percentages	Non-IFRS				Non-IFRS			
	Q3 2023	Q3 2022	Change	Change in constant currencies	YTD 2023	YTD 2022	Change	Change in constant currencies
Total Revenue	1,424.7	1,373.0	4%	11%	4,308.0	4,081.6	6%	9%
Software Revenue	1,286.7	1,229.9	5%	12%	3,883.9	3,685.6	5%	9%
Operating Margin	31.0%	31.6%	(0.5)pt		31.0%	32.8%	(1.8)pt	
Diluted EPS	0.28	0.26	7%	20%	0.84	0.80	5%	11%

### Third Quarter 2023 Versus 2022 Financial Comparisons

(unaudited, IFRS and non-IFRS unless otherwise noted,  
all revenue growth rates in constant currencies)

- **Total Revenue:** Total revenue grew by 11% to €1.42 billion and software revenue increased 12%, to €1.29 billion. Recurring revenue rose 10% to 81% of software revenue, led by a sequential growth acceleration of 18% in subscription, from 13% in the second quarter. Licenses and other software revenue delivered a strong performance, increasing 20% to €246 million, evidenced by the return of large deals. Services revenue was up 2%.
- **Software Revenue by Geography:**

The Americas revenue increased by 9% to 40% of software revenue, benefiting from continued momentum driven by subscription. Europe revenue increased 21% to 38% of software revenue; this broad-based acceleration has been attributed to large transformation deals in Transportation & Mobility and Home & Lifestyle. Asia demonstrated continued improvement with revenue rising 5% to 22% of software revenue, driven by double-digit growth in India and good performance in Japan. China remained resilient with mid-single digit growth, despite a tightening macroeconomic environment in the third quarter.
- **Software Revenue by Product Line:**
  - **Industrial Innovation** software revenue rose 18% to €698.8 million, representing 54% of software revenue. Our brands benefited from large **3DEXPERIENCE** deal activity with market share gains, demonstrating the unique positioning of Dassault Systèmes. CATIA, SIMULIA, ENOVIA, DELMIA and NETVIBES showed double-digit growth during the period.
  - **Life Sciences** software revenue rose 3%, to €283.6 million, to account for 22% of software revenue. MEDIDATA delivered mid-single digit growth in cloud

subscription revenue. As mentioned during the previous quarter, this performance is impacted by an industry-wide reduction in study starts compared to very high post-Covid levels, as well as unfavourable base effect versus last year and sequentially.

- **Mainstream Innovation** software revenue totaled €304.2 million, up 7%, representing 24% of software revenue. SOLIDWORKS subscription growth accelerated to high double digit. In addition, we saw continued strong momentum with CENTRIC PLM, driven by Home & Lifestyle and Consumer Packaged Goods & Retail. This momentum is highlighted by an increasing contribution of large deals.
- **Software Revenue by Industry:** Transportation & Mobility, Aerospace & Defense, Home & Lifestyle and Consumer Packaged Goods & Retail displayed some of the strongest performance during the quarter.
- **Key Strategic Drivers:** 3DEXPERIENCE revenue increased 46% and represented 40% of 3DEXPERIENCE Eligible software revenue. Cloud software revenue grew by 10% and represented 25% of software revenue.
- **Operating Income and Margin:** IFRS operating income was up 14% to €302.5 million, as reported. Non-IFRS operating income rose to €442.0 million, up 13% at constant currency, or 2% as reported. The IFRS operating margin totaled 21.2% compared to 19.3% in the third quarter of 2022. The non-IFRS operating margin totaled 31.0%, representing a 50 basis point improvement excluding effects from currency exchange, compared to the same period last year.
- **Earnings per Share:** IFRS diluted EPS was €0.18, increasing 13% as reported. Non-IFRS diluted EPS grew to €0.28, by 7% as reported, or 20% in constant currencies.

### **Year-To-Date 2023 Versus 2022 Financial Comparisons**

(unaudited, IFRS and non-IFRS unless otherwise noted,  
all revenue growth rates in constant currencies)

- **Total Revenue:** Total revenue grew by 9% to €4.31 billion. Software revenue increased 9% to €3.88 billion. Subscription and support revenue rose 10% to €3.15 billion; recurring revenue represented 81% of total software revenue. Licenses and other software revenue was up 5% to €735.8 million. Services revenue increased by 10% to €424.1 million.
- **Software Revenue by Geography:** The Americas increased by 8% and represented 41% of software revenue. Europe rose 14% and represented 37% of software revenue. Asia was up 2%, representing 23% of software revenue.
- **Software Revenue by Product Line:**
  - **Industrial Innovation** software revenue rose 10% to €2.07 billion and

represented 53% of software revenue. SIMULIA, CATIA and NETVIBES exhibited some of the higher growth rates. DELMIA and ENOVIA also performed well.

- **Life Sciences** software revenue increased 7% to €863.8 million, representing 22% of software revenue. MEDIDATA reported high single-digit revenue growth, mostly resulting from clinical trial studies slowing compared to strong baseline due to Covid trials.
  - **Mainstream Innovation** software revenue increased 8% to €949.5 million, representing 24% of software revenue. CENTRIC PLM delivered strong double-digit growth while SOLIDWORKS reported mid-single digit revenue growth.
- **Software Revenue by Industry:** Transportation & Mobility, Aerospace & Defense, Home & Lifestyle and Consumer Packaged Goods & Retail displayed some of the strongest performance.
  - **Key Strategic Drivers:** 3DEXPERIENCE revenue increased 18%, representing 34% of 3DEXPERIENCE Eligible software revenue. Cloud software revenue grew by 12% and represented 24% of software revenue.
  - **Operating Income and Margin:** IFRS operating income decreased 6%, as reported, to €860.3 million. Non-IFRS operating income was flat at €1.34 billion, as reported. IFRS operating margin totaled 20.0% compared to 22.3% for the same period in 2022. The non-IFRS operating margin equaled 31.0% versus 32.8% in the comparable period last year.
  - **Earnings per Share:** IFRS diluted EPS was €0.54, increasing 19% as reported, impacted by a one-time tax effect in 2022. Non-IFRS diluted EPS grew to €0.84, up 5% as reported, or 11% in constant currencies.
  - **Cash Flow from Operations (IFRS):** Cash flow from operations totaled €1.27 billion, stable compared to the same period last year, in line with the steady non-IFRS operating income at current rates.
  - **Balance Sheet (IFRS):** Dassault Systèmes' net financial position totaled €378 million as at September 30, 2023, an increase of €605 million, compared to €(227) million as at December 31, 2022. Cash, Cash equivalents and short-term investments totaled €3.4 billion at the end of the first nine months of the year.

## **Dassault Systèmes' Chief Financial Officer Commentary**

(revenue growth rates in constant currencies, data on a non-IFRS basis, cash flow IFRS)

### **Rouven Bergmann, Dassault Systèmes' Chief Financial Officer, commented:**

“Clearly, we delivered an outstanding third quarter, highlighting the anticipated acceleration in the second half of 2023. Total revenue growth accelerated to 11% due to fundamental strength in software revenue, up 12% year-over-year, both above the high end of our objectives.

This momentum is driven by robust subscription revenue growth, up 18% year-over-year, driven by **3DEXPERIENCE** and Mainstream customers adopting the subscription model. This provides evidence that our growth strategy as outlined during our Capital Market Day in June this year, is already in operation. In addition, to complement the strong software revenue growth, we also saw a rebound in licenses & other revenue, up 20%, reflecting the strength in new business growth.

Profitability for the quarter was excellent, with operating margin at 31.0% and diluted EPS at €0.28, up 20%, both above our objectives. Profitability improved by 50 basis points year-over-year, at constant currency. Year-to-date cash flow from operations totaled €1.27 billion. These strong results lead us to confirm our full-year objectives of revenue growth between 8% and 9% and the outlook for EPS at €1.20.”

## Financial Objectives for 2023

Dassault Systèmes' fourth quarter and 2023 financial objectives presented below are given on a non-IFRS basis and reflect the principal 2023 currency exchange rate assumptions for the US dollar and Japanese yen as well as the potential impact from additional non-Euro currencies:

	Q4 2023	FY 2023
Total Revenue (billion)	€1.637 - €1.677	€5.945 - €5.985
Growth	3 - 6%	5 - 6%
Growth ex FX	8 - 10%	8 - 9%
Software revenue growth *	8 - 10%	8 - 9%
<i>Of which licenses and other software revenue growth *</i>	<i>(1) - 3%</i>	<i>3 - 4%</i>
<i>Of which recurring revenue growth *</i>	<i>11 - 13%</i>	<i>10 - 11%</i>
Services revenue growth *	3 - 7%	8 - 9%
Operating Margin	35.8% - 36.6%	32.3% - 32.6%
EPS Diluted	€0.35 - €0.37	€1.19 - €1.21
Growth	4 - 8%	5 - 7%
Growth ex FX	9 - 14%	11 - 13%
US dollar	\$1.08 per Euro	\$1.08 per Euro
Japanese yen (before hedging)	JPY 150.0 per Euro	JPY 149.7 per Euro

\* *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 2023 non-IFRS financial objectives set forth above do not take into account the following accounting elements below and are estimated based upon the 2023 principal currency exchange rates above: no significant contract liabilities write-downs; share-based compensation expenses, including related social charges, estimated at approximately €222 million (these estimates do not include any new stock option or share grants issued after September 30, 2023); amortization of acquired intangibles and of tangibles reevaluation, estimated at approximately €378 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 acquisitions or restructuring completed after September 30, 2023.

## Corporate Announcements

- September 19, 2023: Medidata Launches Industry’s Most Comprehensive Program to Support Clinical Trial Diversity Initiatives
- September 18, 2023: Meet “Emma Twin”, Dassault Systèmes’ Avatar Showcasing How Virtual Twins Drive Healthcare Innovation
- September 13, 2023: Medidata Earns Top Spot as Most Preferred EDC Provider in New Report by Industry Standard Research

## Today’s Webcast and Conference Call Information

Today, Wednesday, October 25, 2023, 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 calls will be available online by accessing [investor.3ds.com](http://investor.3ds.com).

Additional investor information is available at [investor.3ds.com](http://investor.3ds.com) or by calling Dassault Systèmes’ Investor Relations at +33.1.61.62.69.24.

## Investor Relations Events

- Fourth Quarter 2023 Earnings Release: February 1, 2024
- First Quarter 2024 Earnings Release: April 25, 2024
- Second Quarter 2024 Earnings Release: July 25, 2024

## 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 2022 Universal Registration Document (‘Document d’enregistrement universel’) filed with the AMF (French Financial Markets Authority) on March 17, 2023, as updated in the 2023 Half-Year Financial Report (‘Rapport Financier Semestriel’ as of June 30, 2023) filed with the AMF on July 25, 2023, both available on the Group’s website [www.3ds.com](http://www.3ds.com).

In particular, please refer to the risk factor “Uncertain Global Economic Environment” in section 1.9.1.1 of the 2022 Universal Registration Document 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 the automotive, aerospace, energy 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 political, economic and monetary situation in certain geographic regions where Dassault Systèmes operates could become more volatile and impact Dassault Systèmes’ business, for example, due to stricter export compliance rules or the introduction of new customs tariffs;
- continued pressure or volatility on raw materials and energy prices could also slow down Dassault Systèmes’ diversification efforts in new industries;
- uncertainties regarding the extent and duration of inflation could adversely affect the financial position of Dassault Systèmes; and
- the sales cycle of the Dassault Systèmes’ products – already relatively long due to the strategic nature of such investments for customers – could further lengthen.

The occurrence of crises – health and political crises in particular – could have consequences both for the health and safety of Dassault Systèmes’ employees and for the Company. It could also adversely impact the financial situation or financing and supply 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. A deteriorating economic environment could generate increased price pressure and affect the collection of receivables, which would negatively impact Dassault Systèmes’ revenue, financial performance and market position.

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 Company’s business results.”

In preparing such forward-looking statements, the Group has in particular assumed an average US dollar to euro exchange rate of US\$1.08 per €1.00 as well as an average Japanese yen to euro exchange rate of JPY150.0 to €1.00, before hedging for the fourth quarter 2023. The Group has in particular assumed an average US dollar to euro exchange rate of US\$1.08 per €1.00 as well as an average Japanese yen to euro exchange rate of JPY149.7 to €1.00, before hedging for the full year 2023. 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 2022 Universal Registration Document filed with the AMF on March 17, 2023.

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.

## FOR MORE INFORMATION

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

Connect with Dassault Systèmes on



## 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 experiences of the real world with our **3DEXPERIENCE** platform and applications, our customers can redefine the creation, production and life-cycle-management processes of their offer and thus have a meaningful impact to make the world more sustainable. The beauty of the Experience Economy is that it is a human-centered economy for the benefit of all – consumers, patients and citizens. Dassault Systèmes brings value to more than 300,000 customers of all sizes, in all industries, in more than 150 countries. For more information, visit [www.3ds.com](http://www.3ds.com)

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## **APPENDIX TABLE OF CONTENTS**

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 cash flow statement

IFRS – non-IFRS reconciliation

## DASSAULT SYSTÈMES - Glossary of Definitions

### Information in Constant Currencies

Dassault Systèmes has followed a long-standing policy of measuring its revenue performance and setting its revenue objectives exclusive of currency in order to measure in a transparent manner the underlying level of improvement in its total revenue and software revenue by activity, industry, geography and product lines. The Group believes it is helpful to evaluate its growth exclusive of currency impacts, particularly to help understand revenue trends in its business. Therefore, the Group provides percentage increases or decreases in its revenue and expenses (in both IFRS as well as non-IFRS) to eliminate the effect of changes in currency values, particularly the U.S. dollar and the Japanese yen, relative to the euro. When trend information is expressed “in constant currencies”, the results of the “prior” period have first been recalculated using the average exchange rates of the comparable period in the current year, and then compared with the results of the comparable period in the current year.

While constant currency calculations are not considered to be an IFRS measure, the Group believes these measures are critical to understanding its global revenue results and to compare with many of its competitors who report their financial results in U.S. dollars. Therefore, Dassault Systèmes includes this calculation for comparing IFRS revenue figures as well non-IFRS revenue figures for comparable periods. All information at constant exchange rates is expressed as a rounded percentage and therefore may not precisely reflect the absolute figures.

### Information on Growth excluding acquisitions (“organic growth”)

In addition to financial indicators on the entire Group’s scope, Dassault Systèmes provides growth excluding acquisitions effect, also named organic growth. In order to do so, the data relating to the scope is restated excluding acquisitions, from the date of the transaction, over a period of 12 months.

### Information on Industrial Sectors

Dassault Systèmes’ Industries develop Industry Solution Experiences, offerings specifically designed to deliver value to companies and users in a particular industry. Dassault Systèmes serves twelve industries grouped into three sectors:

- Manufacturing Industries: Transportation & Mobility; Aerospace & Defense; Marine & Offshore; Industrial Equipment; High-Tech; Home & Lifestyle; Consumer Packaged Goods - Retail. In Manufacturing Industries, Dassault Systèmes help customers virtualize their operations, improve data sharing and collaboration across their organization, reducing costs and time-to-market, and becoming more sustainable;
- Life Sciences & Healthcare: Life Sciences & Healthcare. In this sector, the Group aims to address the entire cycle of the patient journey to lead the way toward precision medicine. To reach the broader healthcare ecosystem from Research to commercial, the Group’s solutions connect all elements from molecule development to prevention to care, and combine new therapeutics, med practices, and Medtech;
- Infrastructure & Cities: Infrastructure, Energy & Materials; Architecture, Engineering & Construction; Business Services; Cities & Public Services. In Infrastructure & Cities, the Group supports the virtualization of the sector in making the construction industry more efficient and sustainable.

## Information on Product Lines

The Group's product lines financial reporting include the following financial information:

- Industrial Innovation software revenue, which includes CATIA, ENOVIA, SIMULIA, DELMIA, GEOVIA, NETVIBES, and 3DEXCITE brands;
- Life Sciences software revenue, which includes MEDIDATA and BIOVIA brands;
- Mainstream Innovation software revenue for SMEs (small and medium sized enterprises), which includes its CENTRIC PLM and 3DVIA brands, as well as its **3DEXPERIENCE WORKS** family which includes the SOLIDWORKS brand.

In 2022, 3DS OUTSCALE became a brand of Dassault Systèmes. As the first sovereign and sustainable operator on the cloud, 3DS OUTSCALE enables governments and corporations from all sectors to achieve digital autonomy through a Cloud experience and with a world-class cyber governance.

## GEO's

Eleven GEOs are responsible for driving the development of our business and implementing our customer-centric engagement model. Teams leverage strong network of local customers, users, partners, and influencers.

These GEOs are structured into three groups:

- the "Americas" group, made of two GEO's;
- the "Europe" group, comprising Europe, Middle East and Africa (EMEA) and made of four GEO's;
- the "Asia" group, comprising Asia and Oceania and made of five GEO's.

## 3DEXPERIENCE Licenses and Software Contribution

To measure the relative share of **3DEXPERIENCE** software in its revenues, Dassault Systèmes utilizes the following ratios:

- for licenses revenue, the Group calculates the percentage contribution by comparing total **3DEXPERIENCE** Licenses revenue to licenses revenue for all product lines except SOLIDWORKS on premise, MEDIDATA, CENTRIC PLM and other acquisitions (defined as "**3DEXPERIENCE** Eligible Licenses revenue");
- for software revenue, the Group calculates the percentage contribution by comparing total **3DEXPERIENCE** software revenue to software revenue for all product lines except SOLIDWORKS on premise, MEDIDATA, CENTRIC PLM and other acquisitions (defined as "**3DEXPERIENCE** Eligible software revenue").

## Cloud revenue

Cloud revenues correspond to revenue generated through a catalog of online services to configure and run cloud solutions, delivered by Dassault Systèmes via a cloud infrastructure hosted by Dassault Systèmes, or by third party providers of cloud computing infrastructure services. This offering is available through different deployment methods: Dedicated cloud, Sovereign Trust cloud and International cloud, All cloud applications can be offered through perpetual licenses and maintenance or subscriptions models.

**DASSAULT SYSTÈMES**  
**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 expense, 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 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, 2023	September 30, 2022	Change	Change in constant currencies	September 30, 2023	September 30, 2022	Change	Change in constant currencies
<b>Total Revenue</b>	€ 1,424.7	€ 1,373.0	4%	11%	€ 4,308.0	€ 4,081.6	6%	9%
<b>Revenue breakdown by activity</b>								
Software revenue	1,286.7	1,229.9	5%	12%	3,883.9	3,685.6	5%	9%
<i>Of which licenses and other software revenue</i>	246.0	221.3	11%	20%	735.8	727.5	1%	5%
<i>Of which subscription and support revenue</i>	1,040.8	1,008.6	3%	10%	3,148.1	2,958.1	6%	10%
Services revenue	138.0	143.1	(4)%	2%	424.1	396.0	7%	10%
<b>Software revenue breakdown by product line</b>								
Industrial Innovation	698.8	623.5	12%	18%	2,070.7	1,940.2	7%	10%
Life Sciences	283.6	294.6	(4)%	3%	863.8	823.8	5%	7%
Mainstream Innovation	304.2	311.7	(2)%	7%	949.5	921.7	3%	8%
<b>Software Revenue breakdown by geography</b>								
Americas	513.6	510.0	1%	9%	1,575.2	1,483.1	6%	8%
Europe	490.5	421.2	16%	21%	1,426.3	1,281.2	11%	14%
Asia	282.7	298.7	(5)%	5%	882.4	921.4	(4)%	2%
<b>Operating income</b>	€ 442.0	€ 433.5	2%		€ 1,335.7	€ 1,339.9	(0)%	
<b>Operating margin</b>	31.0%	31.6%			31.0%	32.8%		
<b>Net income attributable to shareholders</b>	€ 371.3	€ 347.0	7%		€ 1,110.7	€ 1,056.3	5%	
<b>Diluted earnings per share</b>	€ 0.28	€ 0.26	7%	20%	€ 0.84	€ 0.80	5%	11%
<b>Closing headcount</b>	25,377	24,162	5%		25,377	24,162	5%	
Average Rate USD per Euro	1.09	1.01	8%		1.08	1.06	2%	
Average Rate JPY per Euro	157.25	139.16	13%		149.65	135.97	10%	

**DASSAULT SYSTÈMES**  
**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, 2023	September 30, 2022	Change			
Revenue QTD	1,424.7	1,373.0	51.7	141.5	0.0	(89.8)
Revenue YTD	4,308.0	4,081.6	226.4	343.1	1.0	(117.7)

**DASSAULT SYSTÈMES**  
**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, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Licenses and other software revenue	246.0	221.3	735.8	727.5
Subscription and Support revenue	1,040.8	1,008.5	3,148.1	2,957.9
Software revenue	1,286.7	1,229.8	3,883.9	3,685.4
Services revenue	138.0	143.1	424.1	396.0
<b>Total Revenue</b>	<b>€ 1,424.7</b>	<b>€ 1,373.0</b>	<b>€ 4,308.0</b>	<b>€ 4,081.4</b>
Cost of software revenue <sup>(1)</sup>	(105.2)	(116.5)	(329.0)	(340.6)
Cost of services revenue	(133.1)	(115.6)	(386.1)	(331.8)
Research and development expenses	(299.2)	(287.2)	(910.8)	(805.6)
Marketing and sales expenses	(381.0)	(372.3)	(1,195.2)	(1,077.9)
General and administrative expenses	(103.2)	(105.0)	(325.9)	(304.6)
Amortization of acquired intangible assets and of tangible assets revaluation	(93.4)	(103.9)	(284.0)	(299.5)
Other operating income and expense, net	(7.1)	(7.8)	(16.7)	(10.5)
Total Operating Expenses	(1,122.2)	(1,108.3)	(3,447.7)	(3,170.4)
<b>Operating Income</b>	<b>€ 302.5</b>	<b>€ 264.7</b>	<b>€ 860.3</b>	<b>€ 911.0</b>
Financial income (loss), net	(4.3)	2.4	31.1	(7.3)
<b>Income before income taxes</b>	<b>€ 298.2</b>	<b>€ 267.1</b>	<b>€ 891.5</b>	<b>€ 903.7</b>
Income tax expense	(54.9)	(53.0)	(171.5)	(302.0)
<b>Net Income</b>	<b>€ 243.3</b>	<b>€ 214.1</b>	<b>€ 719.9</b>	<b>€ 601.7</b>
Non-controlling interest	0.1	0.4	1.0	1.1
<b>Net Income attributable to equity holders of the parent</b>	<b>€ 243.5</b>	<b>€ 214.5</b>	<b>€ 720.9</b>	<b>€ 602.9</b>
Basic earnings per share	0.18	0.16	0.55	0.46
<b>Diluted earnings per share</b>	<b>€ 0.18</b>	<b>€ 0.16</b>	<b>€ 0.54</b>	<b>€ 0.46</b>
Basic weighted average shares outstanding (in millions)	1,316.1	1,313.9	1,315.2	1,311.8
Diluted weighted average shares outstanding (in millions)	1,326.1	1,322.0	1,326.8	1,323.7

<sup>(1)</sup> Excluding amortization of acquired intangible assets and of tangible assets revaluation.

IFRS reported	Three months ended September 30, 2023		Nine months ended September 30, 2023	
	Change <sup>(2)</sup>	Change in constant currencies	Change <sup>(2)</sup>	Change in constant currencies
<b>Total Revenue</b>	4%	11%	6%	9%
<b>Revenue by activity</b>				
Software revenue	5%	12%	5%	9%
Services revenue	(4)%	2%	7%	10%
<b>Software Revenue by product line</b>				
Industrial Innovation	12%	18%	7%	10%
Life Sciences	(4)%	3%	5%	7%
Mainstream Innovation	(2)%	7%	3%	8%
<b>Software Revenue by geography</b>				
Americas	1%	9%	6%	8%
Europe	16%	21%	11%	14%
Asia	(5)%	5%	(4)%	2%

<sup>(2)</sup> Variation compared to the same period in the prior year.

**DASSAULT SYSTÈMES**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
(unaudited; in millions of Euros)

In millions of Euros	IFRS reported	
	September 30, 2023	December 31, 2022
<b>ASSETS</b>		
Cash and cash equivalents	3,368.1	2,769.0
Trade accounts receivable, net	1,315.8	1,661.6
Contract assets	35.7	20.3
Other current assets	521.4	393.5
<b>Total current assets</b>	<b>5,241.0</b>	<b>4,844.3</b>
Property and equipment, net	855.8	819.9
Goodwill and Intangible assets, net	8,059.3	8,273.6
Other non-current assets	299.6	323.3
<b>Total non-current assets</b>	<b>9,214.8</b>	<b>9,416.8</b>
<b>Total Assets</b>	<b>€ 14,455.7</b>	<b>€ 14,261.1</b>
<b>LIABILITIES</b>		
Trade accounts payable	205.9	216.3
Contract liabilities	1,422.8	1,536.6
Borrowings, current	950.2	258.6
Other current liabilities	738.3	869.6
<b>Total current liabilities</b>	<b>3,317.2</b>	<b>2,881.0</b>
Borrowings, non-current	2,039.9	2,737.4
Other non-current liabilities	1,323.0	1,317.8
<b>Total non-current liabilities</b>	<b>3,362.9</b>	<b>4,055.2</b>
Non-controlling interests	11.6	14.2
Parent shareholders' equity	7,763.9	7,310.7
<b>Total Liabilities</b>	<b>€ 14,455.7</b>	<b>€ 14,261.1</b>

**DASSAULT SYSTÈMES**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
(unaudited; in millions of Euros)

In millions of Euros	IFRS reported					
	Three months ended			Nine months ended		
	September 30, 2023	September 30, 2022	Change	September 30, 2023	September 30, 2022	Change
Net income attributable to equity holders of the parent	243.5	214.5	28.9	720.9	602.9	118.1
Non-controlling interest	<u>(0.1)</u>	<u>(0.4)</u>	<u>0.3</u>	<u>(1.0)</u>	<u>(1.1)</u>	<u>0.2</u>
Net income	243.3	214.1	29.2	719.9	601.7	118.2
Depreciation of property and equipment	47.3	46.2	1.1	138.4	139.4	(1.0)
Amortization of intangible assets	95.2	106.1	(10.8)	290.3	307.6	(17.4)
Adjustments for other non-cash items	65.4	28.5	36.9	123.5	225.2	(101.6)
Changes in working capital	(205.3)	(162.1)	(43.2)	(0.4)	6.6	(7.0)
<b>Net Cash From Operating Activities</b>	<b>€ 246.0</b>	<b>€ 232.8</b>	<b>€ 13.2</b>	<b>€ 1,271.7</b>	<b>€ 1,280.6</b>	<b>€ (8.8)</b>
Additions to property, equipment and intangibles assets	(35.1)	(43.3)	8.2	(102.8)	(106.0)	3.2
Payment for acquisition of businesses, net of cash acquired	(14.8)	(5.4)	(9.4)	(15.6)	(12.7)	(2.9)
Other	4.5	(1.2)	5.7	(0.4)	(30.5)	30.1
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>€ (45.3)</b>	<b>€ (49.8)</b>	<b>€ 4.4</b>	<b>€ (118.8)</b>	<b>€ (149.1)</b>	<b>€ 30.3</b>
Proceeds from exercise of stock options	11.6	23.5	(11.9)	38.5	49.2	(10.7)
Cash dividends paid	(0.0)	-	(0.0)	(276.3)	(223.5)	(52.7)
Repurchase and sale of treasury stock	(218.6)	(4.0)	(214.6)	(386.0)	(606.5)	220.4
Capital increase	0.0	-	0.0	146.1	198.6	(52.5)
Acquisition of non-controlling interests	0.0	(0.1)	0.1	(0.8)	(0.6)	(0.3)
Proceeds from borrowings	(0.3)	252.1	(252.5)	20.3	255.8	(235.5)
Repayment of borrowings	(0.9)	(902.2)	901.3	(28.2)	(1,140.5)	1,112.3
Repayment of lease liabilities	(21.1)	(24.6)	3.6	(63.0)	(74.4)	11.4
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>€ (229.4)</b>	<b>€ (655.3)</b>	<b>€ 425.9</b>	<b>€ (549.4)</b>	<b>€ (1,541.9)</b>	<b>€ 992.4</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>51.7</b>	<b>102.7</b>	<b>(51.0)</b>	<b>(4.4)</b>	<b>218.4</b>	<b>(222.7)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>€ 22.7</b>	<b>€ (369.6)</b>	<b>€ 392.3</b>	<b>€ 599.2</b>	<b>€ (192.0)</b>	<b>€ 791.2</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>€ 3,345.4</b>	<b>€ 3,157.0</b>		<b>€ 2,769.0</b>	<b>€ 2,979.5</b>	
<b>Cash and cash equivalents at end of period</b>	<b>€ 3,368.1</b>	<b>€ 2,787.5</b>		<b>€ 3,368.1</b>	<b>€ 2,787.5</b>	

**DASSAULT SYSTÈMES**  
**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, 2022 filed with the AMF on March 17, 2023. 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	
	2023		2023		2022		IFRS	Non-IFRS <sup>(2)</sup>
	IFRS	Adjustment <sup>(1)</sup>	Non-IFRS	IFRS	Adjustment <sup>(1)</sup>	Non-IFRS		
<b>Total Revenue</b>	€ 1,424.7	-	€ 1,424.7	€ 1,373.0	€ 0.1	€ 1,373.0	4%	4%
<b>Revenue breakdown by activity</b>								
Software revenue	1,286.7	-	1,286.7	1,229.8	0.1	1,229.9	5%	5%
Licenses and other software revenue	246.0	-	246.0	221.3	-	221.3	11%	11%
Subscription and Support revenue	1,040.8	-	1,040.8	1,008.5	0.1	1,008.6	3%	3%
<i>Recurring portion of Software revenue</i>	81%		81%	82%		82%		
Services revenue	138.0	-	138.0	143.1	-	143.1	(4)%	(4)%
<b>Software Revenue breakdown by product line</b>								
Industrial Innovation	698.8	-	698.8	623.5	-	623.5	12%	12%
Life Sciences	283.6	-	283.6	294.6	-	294.6	(4)%	(4)%
Mainstream Innovation	304.2	-	304.2	311.7	0.1	311.7	(2)%	(2)%
<b>Software Revenue breakdown by geography</b>								
Americas	513.6	-	513.6	510.0	-	510.0	1%	1%
Europe	490.5	-	490.5	421.2	-	421.2	16%	16%
Asia	282.7	-	282.7	298.7	-	298.7	(5)%	(5)%
<b>Total Operating Expenses</b>	€ ( 1,122.2)	€ 139.5	€ ( 982.7)	€ ( 1,108.3)	€ 168.8	€ ( 939.5)	1%	5%
Share-based compensation expense and related social charges	(38.4)	38.4	-	(56.3)	56.3	-		
Amortization of acquired intangible assets and of tangible assets revaluation	(93.4)	93.4	-	(103.9)	103.9	-		
Lease incentives of acquired companies	(0.7)	0.7	-	(0.8)	0.8	-		
Other operating income and expense, net	(7.1)	7.1	-	(7.8)	7.8	-		
<b>Operating Income</b>	€ 302.5	€ 139.5	€ 442.0	€ 264.7	€ 168.8	€ 433.5	14%	2%
<b>Operating Margin</b>	21.2%		31.0%	19.3%		31.6%		
Financial income (loss), net	(4.3)	26.8	22.5	2.4	1.5	3.9	(277)%	N/A
Income tax expense	(54.9)	(38.1)	(93.0)	(53.0)	(37.5)	(90.5)	4%	3%
Non-controlling interest	0.1	(0.4)	(0.3)	0.4	(0.4)	0.1	(72)%	N/A
<b>Net Income attributable to shareholders</b>	€ 243.5	€ 127.8	€ 371.3	€ 214.5	€ 132.5	€ 347.0	13%	7%
<b>Diluted Earnings Per Share</b> <sup>(3)</sup>	€ 0.18	€ 0.10	€ 0.28	€ 0.16	€ 0.10	€ 0.26	13%	7%

<sup>(1)</sup> 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	
	2023		2023		2022		2022		IFRS	Non-IFRS
	IFRS	Share-based compensation expense and related social charges	Lease incentives of acquired companies	Non-IFRS	IFRS	Share-based compensation expense and related social charges	Lease incentives of acquired companies	Non-IFRS		
Cost of revenue	(238.2)	2.1	0.2	(236.0)	(232.0)	2.8	0.2	(229.0)	3%	3%
Research and development expenses	(299.2)	14.9	0.3	(284.1)	(287.2)	22.0	0.3	(264.8)	4%	7%
Marketing and sales expenses	(381.0)	11.1	0.1	(369.8)	(372.3)	15.3	0.1	(356.9)	2%	4%
General and administrative expenses	(103.2)	10.3	0.0	(92.9)	(105.0)	16.1	0.1	(88.9)	(2)%	5%
<b>Total</b>		€ 38.4	€ 0.7			€ 56.3	€ 0.8			

<sup>(2)</sup> 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.

<sup>(3)</sup> Based on a weighted average 1,326.1 million diluted shares for Q3 2023 and 1,322.0 million diluted shares for Q3 2022.

**DASSAULT SYSTÈMES**  
**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		
	2023		2022		2022		IFRS	Non-IFRS <sup>(2)</sup>	
	IFRS	Adjustment <sup>(1)</sup>	IFRS	Adjustment <sup>(1)</sup>	IFRS	Non-IFRS			
<b>Total Revenue</b>	<b>€ 4,308.0</b>		<b>€ 4,308.0</b>		<b>€ 4,081.4</b>	<b>€ 0.2</b>	<b>€ 4,081.6</b>	<b>6%</b>	<b>6%</b>
<b>Revenue breakdown by activity</b>									
Software revenue	3,883.9		3,883.9		3,685.4	0.2	3,685.6	5%	5%
Licenses and other software revenue	735.8	-	735.8		727.5	-	727.5	1%	1%
Subscription and Support revenue	3,148.1		3,148.1		2,957.9	0.2	2,958.1	6%	6%
<i>Recurring portion of Software revenue</i>	<i>81%</i>		<i>81%</i>		<i>80%</i>		<i>80%</i>		
Services revenue	424.1	-	424.1		396.0		396.0	7%	7%
<b>Software Revenue breakdown by product line</b>									
Industrial Innovation	2,070.7	-	2,070.7		1,940.2	-	1,940.2	7%	7%
Life Sciences	863.8	-	863.8		823.8	-	823.8	5%	5%
Mainstream Innovation	949.5	-	949.5		921.5	0.2	921.7	3%	3%
<b>Software Revenue breakdown by geography</b>									
Americas	1,575.2		1,575.2		1,483.0	0.1	1,483.1	6%	6%
Europe	1,426.3	-	1,426.3		1,281.1	0.1	1,281.2	11%	11%
Asia	882.4	-	882.4		921.4	-	921.4	(4)%	(4)%
<b>Total Operating Expenses</b>	<b>€ ( 3,447.7)</b>	<b>€ 475.4</b>	<b>€ ( 2,972.3)</b>		<b>€ ( 3,170.4)</b>	<b>€ 428.6</b>	<b>€ ( 2,741.7)</b>	<b>9%</b>	<b>8%</b>
Share-based compensation expense and related social charges	(172.6)	172.6	-		(116.4)	116.4	-		
Amortization of acquired intangible assets and of tangible assets revaluation	(284.0)	284.0	-		(299.5)	299.5	-		
Lease incentives of acquired companies	(2.1)	2.1	-		(2.2)	2.2	-		
Other operating income and expense, net	(16.7)	16.7	-		(10.5)	10.5	-		
<b>Operating Income</b>	<b>€ 860.3</b>	<b>€ 475.4</b>	<b>€ 1,335.7</b>		<b>€ 911.0</b>	<b>€ 428.9</b>	<b>€ 1,339.9</b>	<b>(6)%</b>	<b>(0)%</b>
<b>Operating Margin</b>	<b>20.0%</b>		<b>31.0%</b>		<b>22.3%</b>		<b>32.8%</b>		
Financial income (loss), net	31.1	28.3	59.4		(7.3)	2.2	(5.0)	N/A	N/A
Income tax expense	(171.5)	(112.8)	(284.3)		(302.0)	23.3	(278.8)	(43)%	2%
Non-controlling interest	1.0	(1.2)	(0.2)		1.1	(0.9)	0.2	(15)%	(188)%
<b>Net Income attributable to shareholders</b>	<b>€ 720.9</b>	<b>€ 389.7</b>	<b>€ 1,110.7</b>		<b>€ 602.9</b>	<b>€ 453.4</b>	<b>€ 1,056.3</b>	<b>20%</b>	<b>5%</b>
<b>Diluted Earnings Per Share <sup>(3)</sup></b>	<b>€ 0.54</b>	<b>€ 0.29</b>	<b>€ 0.84</b>		<b>€ 0.46</b>	<b>€ 0.34</b>	<b>€ 0.80</b>	<b>19%</b>	<b>5%</b>

<sup>(1)</sup> 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	
	2023		2022		2023		2022		IFRS	Non-IFRS
	IFRS	Share-based compensation expense and related social charges	IFRS	Non-IFRS	IFRS	Share-based compensation expense and related social charges	IFRS	Non-IFRS		
Cost of revenue	(715.1)	12.1	0.6	(702.3)	(672.4)	6.1	0.7	(665.6)	6%	6%
Research and development expenses	(910.8)	65.9	0.9	(844.0)	(805.6)	43.0	0.9	(761.6)	13%	11%
Marketing and sales expenses	(1,195.2)	52.7	0.4	(1,142.2)	(1,077.9)	33.3	0.4	(1,044.2)	11%	9%
General and administrative expenses	(325.9)	42.0	0.1	(283.8)	(304.6)	34.0	0.3	(270.3)	7%	5%
<b>Total</b>		<b>€ 172.6</b>	<b>€ 2.1</b>			<b>€ 116.4</b>	<b>€ 2.2</b>			

<sup>(2)</sup> 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.

<sup>(3)</sup> Based on a weighted average 1,326.8 million diluted shares for YTD 2023 and 1,323.7 million diluted shares for YTD 2022.