Principal Markets

Overview

In connection with the Company's introduction of its **3D**EXPERIENCE strategy and reflecting its broad software applications capabilities, the Company has organized itself along three axis: (i) a strategy to cover customer processes based upon an industry-focused set of offerings, "Industry Solution Experiences" based upon the Company's underlying software applications portfolio, content and services; (ii) a domain-focused group of software applications organized by brand in order to ensure a strong focus on the satisfaction of end-user needs; and (iii) a global-local-specialized organization in order to leverage its global strengths, while at the same time ensuring a strong local understanding and field operations.

3DEXPERIENCE Industries Served

The Company's global customer base includes companies in 12 industrial sectors: Aerospace & Defense; Transportation & Mobility; Marine & Offshore; Industrial Equipment; High-Tech; Architecture, Engineering & Construction; Consumer Goods & Retail; Consumer Packaged Goods & Retail; Life Sciences; Energy, Process & Utilities; Financial and Business Services; and Natural Resources.

For 2014, the composition of end-user software revenue by major industry was approximately as follows: Transportation & Mobility about 30% (29% in 2013); Industrial Equipment about 19% (19% in 2013); Aerospace & Defense about 12% (14% in 2013); Business Services about 11% (12% in 2013); Marine & Offshore and Other Target Industries about 28% (26% in 2013).

In connection with the Company's change in its go-to-market strategy evolution from brands to industries, it began the introduction of 'Industry Solution Experiences' commencing in 2012. The Company's Industry Solution Experiences are designed to address key business processes of the respective individual industry and are comprised of industry process experiences.

To deepen its penetration of each industry, the Company undertakes the continuing development of industry-specific solutions, both through internal development and by acquisition, and increasing its expertise through partnerships with leading companies and system integrators and the addition of specialized direct sales and sales partners.

Through strategic alliances with leading IT system integrators, service providers and consulting firms with deep expertise in industry processes, the Company's Industry Solution Partnerships provide innovative PLM solutions and services by industry or industrial segment to address clients' business challenges. Based on their strong competence in industries and application domains as well as their regional expertise, in conjunction with Dassault Systèmes' products and solutions, these partners help to deliver innovative solutions that customers need for success in their business.

3DEXPERIENCE Business Platform

In February 2014, the Company introduced its new **3D**EXPERIENCE platform and on Premise and on the Cloud offerings for companies of all sizes. This initial release provided an on premise offering including

41 Industry Process Experiences and 183 processes while the Cloud offering was comprised of 14 Industry Process Experiences and 60 processes. With the introduction of its second release in February 2015 the on premise and in public or private cloud portfolio was expanded to cover Roles for Users.

The V6 architecture unifies the user experience for all Processes and Industries. Built to answer customer and industry specific needs for ease of use and lower training costs, it allows customization and the integration of customer data into a single environment. It provides a single source for truth by integrating all data required to create a Process experience while eliminating costly IT operations, such as database replication.

The **3D**EXPERIENCE R2015x update is available to all Version 6 customers, and migration paths are available to the Version 5 installed base.

The **3D**EXPERIENCE Process Portfolio On Cloud is offered as Software as a Service (SaaS) on a public or private Cloud to provide increased flexibility and fast deployment. In addition to offering the same software applications which are also available on premise for a broad portfolio of Processes and Roles, it includes the operation of the Cloud environment in the price of the Processes. The public cloud operates 24 hours per day, 7 days per week, 365 days per year, and includes maintenance, licensing, and upgrades. Total Cost of Ownership is improved by reducing requirements for computing and storage, as well as facility and human resources costs.

A single interface – the 3D Compass – provides easy-to-use navigation, search, and collaboration in the **3D**EXPERIENCE platform environment that is extensible to any discipline in a company – engineering, manufacturing, simulation, sales, marketing, finance, procurement, and management.

3DEXPERIENCE Software Applications Portfolio – Addressing the Needs of its User Communities
The Company's **3D**EXPERIENCE software applications portfolio is designed to enable the powering of 3D realistic virtual experiences and is comprised of 3D modeling applications, simulation applications, social and collaborative applications, and information intelligence applications.

Since its inception, the Company has focused on creating a portfolio of leading brands, each focused on specific user groups. The Company continues to expand its brands and create new brands to meet the evolving needs of existing and new users across its expanded addressable market and, in addition, began introducing in 2012 Industry Solution Experiences. These solutions are designed on an industry-by-industry basis, and are designed to trigger and connect the value created by each discipline in an industry to ensure that the Company value stream is not interrupted.

Dassault Systèmes' investments in research and development as well as targeted acquisitions enable the Company to deepen and broaden its offerings for customers as well as to bring its significant assets to help advance innovation in other target domains and industries. These investments advance the Company's brand portfolio and have led to the introduction of several new brands in 2014 including: (i) BIOVIA, focused on science driven industries to help them introduce scientific innovation in the biologic,

chemical and material sciences; and (ii) 3DEXCITE, focused on helping companies across core and other industries create marketing materials from virtual product representations.