



Autodesk Reports First Quarter Earnings; Company Grows Earnings Per Share by 19%

May 17, 2001

SAN RAFAEL, Calif.--(BUSINESS WIRE)--May 17, 2001--Autodesk, Inc. (Nasdaq:ADSK) today announced financial results for its first quarter ended April 30, 2001. Autodesk reported net revenues of \$246 million for the first quarter of fiscal year 2002 and growth of 6% compared to \$231 million for the first quarter of fiscal year 2001.

On a pro forma basis, as defined below, first quarter net income was \$32 million or \$0.57 per diluted share compared to \$30 million or \$0.48 per diluted share for the same quarter a year ago. This equals year over year pro forma earnings per share growth of 19%.

First quarter net income was \$28 million or \$0.50 per diluted share compared to net income for the same quarter a year ago of \$26 million or \$0.41 per diluted share. This equals year over year earnings per share growth of 22%.

"Our quarter tracked very well as we grew earnings by 19 percent," said Carol Bartz, Autodesk chairman and chief executive officer. "While for some companies economic uncertainty means backing away from operational commitments, for Autodesk the economy is always just another variable. We believe the diversity of our business -- multiple geographies, markets, and products -- gives us a cushion against a dramatic downturn. With our continued focus on tight fiscal management, we are able to maintain our original earnings guidance for the full year." First Quarter Highlights

- The Asia Pacific region hit a record high, with net revenue jumping 50% sequentially to \$68 million for the first quarter.
- Discreet delivered another solid quarter, bolstered by a strong showing at two major industry trade events, Game Developers Conference and National Association of Broadcasters.
- Customers are rapidly adopting Autodesk's 3D mechanical design solution, as evidenced by a 27% sequential rise in sales of Inventor. In just three short months of trial, Autodesk Streamline, our hosted service for sharing personalized design data across the entire extended manufacturing enterprise, has received a very strong market reception, garnering industry recognition at key tradeshow and generating over 1,000 trial accounts opened via the web.
- Point A, our web portal that complements the core design desktop software, continued forward momentum during Q1, delivering consistently strong metrics. Point A is an integral part of many of our customers' Autodesk experience. We are leveraging Point A as a high-touch way to drive migration to the latest releases and software delivery options. Business Outlook

The following statements are based on current expectations. These statements are forward-looking and actual results may differ materially. Revenue outlook:

- For the second quarter of fiscal year 2002, the Company expects net revenue to range between \$240 million and \$250 million.
- Revenue guidance for the full year is being revised down slightly -- by approximately two to four percent -- to an expected new range between \$1,000 million and \$1,020 million.

These revenue expectations depend on a number of factors, including timely shipment and customer acceptance of key new products based on the AutoCAD 2002 foundation, the ability to grow new internet-related services and businesses, and may be impacted by foreign currency fluctuations and by further slowing in the overall worldwide economies particularly in the United States and Europe. Earnings per share outlook:

- Earnings per diluted share on a pro forma basis, excluding nonrecurring charges as well as amortization of goodwill and purchased intangibles, is expected to range between \$0.40 and \$0.50 per diluted share for the second quarter of fiscal year 2002.
- For the full year, the outlook for earnings per diluted share on a pro forma basis, excluding nonrecurring charges as well as amortization of goodwill and purchased intangibles, is being reaffirmed and is expected to range between \$2.10 and \$2.25.

Pro forma earnings per diluted share may vary due to timely shipment and customer acceptance of key new products based on the AutoCAD 2002 foundation, our ability to control and further reduce operating costs, future investments and spending related to spin-off business and fluctuations in share count.

During the second quarter of fiscal year 2002, the Company expects to take a one-time nonrecurring charge in the range of \$10 million to \$15 million related primarily to facility consolidations. This charge is excluded in the calculation of pro forma earnings guidance provided in the previous paragraph.

The statements above contained in the business outlook are forward-looking statements that involve risks and uncertainties. In addition to factors discussed above, other factors that could cause actual results to differ materially include the following: general market and business conditions, pricing pressure, continued success in technology advancements and timely release of new products and services, changes in customer ordering patterns, failure to grow internet-related businesses and operational results and equity financings of partially owned affiliates. Further information on potential factors that could affect the financial results of Autodesk are included in the Company's Report on Form 10-K for the year ended January 31, 2001, which is on file with the Securities and Exchange Commission.

Autodesk will host a toll free conference call at 888-813-7836 and an audio web cast on the first quarter results beginning at 5:00 p.m. Eastern Time at www.Autodesk.com/investor. An audio web cast replay will be available until June 1, 2001. A summary of Autodesk's financial results is as follows: Three months ended April 30 2001 2000 Net revenues \$245,740,000 \$231,259,000 Net income (1) \$27,900,000 \$25,606,000 Pro forma net income (2) \$31,567,000 \$30,161,000 Diluted net income per share (1) \$0.50 \$0.41 Pro forma diluted net income per share (2) \$0.57 \$0.48 (1) Net income for the quarter ended April 30, 2000 includes nonrecurring credits of \$0.8 million or \$0.01 per diluted share.

(2) Pro forma results for the quarter ended April 31, 2001, exclude amortization of goodwill and purchased intangibles of \$5.3 million or \$0.10 per diluted share. Pro forma results for the quarter ended April 30, 2000, exclude amortization of goodwill and purchased intangibles of \$7.8 million or \$0.12 per diluted share and nonrecurring credits of \$0.8 million or \$0.01 per diluted share.

About Autodesk

Autodesk (Nasdaq:ADSK) is the world's leading design software and digital content company for architectural design and land development, manufacturing, utilities, telecommunications, and media and entertainment. Founded in 1982, Autodesk provides design software, Internet portal services, wireless development platforms, and point-of-location applications that empower more than four million customers in over 150 countries to drive business and remain competitive. For more information, contact any Authorized Autodesk Reseller, call Autodesk at 800-964-6432, or visit www.autodesk.com. Discreet(TM) product information is available at 800-869-3504 or via the Web at www.discreet.com.

Note to Editors: Autodesk and the Autodesk logo are registered trademarks, and Discreet is a trademark, of Autodesk, Inc., in the United States and/or other countries. All other brand names, product names, or trademarks belong to their respective holders.

Autodesk, Inc.

Pro Forma Consolidated Statements of Operations

(In thousands, except per share data)

	Three Months Ended April 30, -----	
	2001	2000
	----- (Unaudited) -----	
Net revenues	\$245,740	\$231,259
Costs and expenses:		
Cost of revenues	36,725	36,726
Marketing and sales	87,005	77,502
Research and development	46,159	40,255
General and administrative	33,943	31,805

Total costs & expenses, excluding amortization of goodwill and purchased intangibles and nonrecurring credits	203,832	186,288

Income from operations	41,908	44,971
Interest and other income, net	4,986	2,973

Income before income taxes	46,894	47,944
Provision for income taxes	(14,116)	(15,538)
Equity in net loss of affiliate	(1,211)	(2,245)

Net income	\$ 31,567	\$ 30,161
	=====	
Basic net income per share	\$ 0.58	\$ 0.51
	=====	
Diluted net income per share	\$ 0.57	\$ 0.48
	=====	
Shares used in computing basic net income per share	54,033	59,005

Shares used in computing diluted net income per share	55,687	62,583
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Autodesk, Inc.
Consolidated Statements of Operations

(In thousands, except per share data)

Three Months Ended
April 30,

2001 2000

(Unaudited)

Net revenues	\$ 245,740	\$ 231,259
Costs and expenses:		
Cost of revenues	36,725	36,726
Marketing and sales	87,005	77,502
Research and development	46,159	40,255
General and administrative	33,943	31,805
Amortization of goodwill and purchased intangibles	5,307	7,788
Nonrecurring credits	0	(800)
	209,139	193,276
Income from operations	36,601	37,983
Interest and other income, net	4,986	2,973
Income before income taxes	41,587	40,956
Provision for income taxes	(12,476)	(13,105)
Equity in net loss of affiliate	(1,211)	(2,245)
Net income	\$27,900	\$25,606
Basic net income per share	\$ 0.52	\$ 0.43
Diluted net income per share	\$ 0.50	\$ 0.41
Shares used in computing basic net income per share	54,033	59,005
Shares used in computing diluted net income per share	55,687	62,583

Autodesk, Inc.
Consolidated Balance Sheets
(In thousands)

	April 30, 2001	January 31, 2001
	----- (Unaudited)	----- (Audited)
ASSETS:		
Current assets:		
Cash and cash equivalents	\$122,988	\$116,391
Marketable securities	102,431	142,961
Accounts receivable, net	150,477	157,422
Inventories	17,114	17,255
Deferred income taxes	26,622	26,696
Prepaid expenses and other current assets	35,462	30,596
	-----	-----
Total current assets	455,094	491,321
	-----	-----
Marketable securities	169,359	163,148
Computer equipment, furniture and leasehold improvements, at cost:		
Computer equipment and furniture	183,318	171,176
Leasehold improvements	27,351	27,145
Less accumulated depreciation	(150,235)	(144,325)
	-----	-----
Net computer equipment, furniture, and leasehold improvements	60,434	53,996
Purchased technologies and capitalized software, net	15,836	16,403
Goodwill, net	49,358	54,273
Deferred income taxes	17,935	18,242
Other assets	9,080	10,376
	-----	-----
	\$777,096	\$807,759
	=====	=====
LIABILITIES, MINORITY INTEREST & STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	\$ 52,216	\$ 47,962
Accrued compensation	42,339	55,907
Accrued income taxes	101,788	97,109
Deferred revenues	49,671	50,993
Other accrued liabilities	80,259	81,942
	-----	-----
Total current liabilities	326,273	333,913
	-----	-----
Other liabilities	1,208	1,208
Minority interest	12,210	12,964
Stockholders' equity:		
Common stock and additional paid-in capital	407,820	424,652
Accumulated other comprehensive loss	(18,722)	(16,104)
Deferred compensation	(1,043)	(1,172)
Retained earnings	49,350	52,298
	-----	-----
Total stockholders' equity	437,405	459,674

 \$777,096 \$807,759
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Fiscal Year 2002	QTR 1	QTR 2	QTR 3	QTR 4	YTD2002
Financial Statistics					
(in millions):					
Net Revenues	\$ 245.7				\$ 245.7
Gross Margin	85%				85%
Pro Forma Operating Expenses	\$ 167.1				\$ 167.1
Pro Forma Operating Margin	17%				17%
Pro Forma Net Income (1)	\$ 31.6				\$ 31.6
Pro Forma Earnings Per Share (diluted)	\$ 0.57				\$ 0.57
Total Cash and Marketable Securities	\$ 394.8				\$ 394.8
Days Sales Outstanding	55				
Revenue by Geography					
(in millions):					
Americas	\$ 99.9				\$ 99.9
Europe	\$ 78.1				\$ 78.1
Asia/Pacific	\$ 67.7				\$ 67.7
Revenue by Division					
(in millions):					
Design Solutions	\$ 196.6				\$ 196.6
Manufacturing	\$ 34.3				\$ 34.3
GIS	\$ 21.4				\$ 21.4
AEC	\$ 17.7				\$ 17.7
Platform Group & Other	\$ 123.2				\$ 123.2
Discreet	\$ 49.1				\$ 49.1
AutoCAD Statistics:					
AutoCAD Units Sold	77,000				77,000
AutoCAD Upgrade Revenue (in millions)	\$ 17.0				\$ 17.0
Installed Base	2,852,000				2,852,000
Headcount:					
Headcount	3,539				3,539
Common Stock Statistics:					
Stock Outstanding					
(Pro Forma EPS					
Calculation-diluted)	55,687,000				55,687,000
Stock Repurchased	1,825,000				1,825,000

(1) Pro forma net income excludes amortization of goodwill and purchased intangibles and nonrecurring charges and credits.

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