
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended April 30, 2008

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 0-14338

AUTODESK, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

**111 McInnis Parkway
San Rafael, California**
(Address of principal executive offices)

94-2819853
(I.R.S. Employer
Identification No.)

94903
(Zip Code)

(415) 507-5000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 ("Exchange Act") during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company)

Accelerated filer
Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of May 23, 2008, there were 223,948,037 shares of the registrant's Common Stock outstanding.

AUTODESK, INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

AUTODESK, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In millions of dollars, except share and per share data)
(Unaudited)

	Three Months Ended	
	April 30,	
	2008	2007
Net revenue:		
License and other	\$ 432.2	\$ 383.2
Maintenance	166.6	125.4
Total net revenue	<u>598.8</u>	<u>508.6</u>
Costs of revenue:		
Cost of license and other revenue	55.8	50.5
Cost of maintenance revenue	2.0	2.2
Total cost of revenue	<u>57.8</u>	<u>52.7</u>
Gross profit	541.0	455.9
Operating expenses:		
Marketing and sales	223.9	192.5
Research and development	143.7	114.7
General and administrative	53.5	47.3
Total operating expenses	<u>421.1</u>	<u>354.5</u>
Income from operations	119.9	101.4
Interest and other income, net	6.9	9.8
Income before income taxes	126.8	111.2
Provision for income taxes	(32.2)	(27.9)
Net income	<u>\$ 94.6</u>	<u>\$ 83.3</u>
Basic net income per share	<u>\$ 0.42</u>	<u>\$ 0.36</u>
Diluted net income per share	<u>\$ 0.41</u>	<u>\$ 0.34</u>
Shares used in computing basic net income per share	226.2	231.2
Shares used in computing diluted net income per share	<u>232.6</u>	<u>243.8</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

AUTODESK, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)

	April 30, 2008 (Unaudited)	January 31, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 909.1	\$ 917.9
Marketable securities	32.9	31.4
Accounts receivable, net	333.5	386.5
Deferred income taxes	96.7	98.1
Prepaid expenses and other current assets	51.2	47.9
Total current assets	1,423.4	1,481.8
Marketable securities	8.3	8.4
Computer equipment, software, furniture and leasehold improvements, net	84.3	80.2
Purchased technologies, net	60.6	64.4
Goodwill	447.6	443.4
Deferred income taxes, net	39.8	51.3
Other assets	76.0	79.4
	<u>\$ 2,140.0</u>	<u>\$ 2,208.9</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 73.7	\$ 79.3
Accrued compensation	90.5	146.2
Accrued income taxes	18.8	14.4
Deferred revenue	431.3	400.7
Borrowings under line of credit	40.0	—
Other accrued liabilities	80.2	89.7
Total current liabilities	734.5	730.3
Deferred revenue	118.4	105.4
Long term income taxes payable	93.1	86.5
Other liabilities	58.6	56.2
Commitments and contingencies		
Stockholders' equity:		
Preferred stock	—	—
Common stock and additional paid-in capital	962.7	998.3
Accumulated other comprehensive income	20.1	13.8
Retained earnings	152.6	218.4
Total stockholders' equity	<u>1,135.4</u>	<u>1,230.5</u>
	<u>\$ 2,140.0</u>	<u>\$ 2,208.9</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

AUTODESK, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three Months Ended April 30,	
	2008	2007
Operating Activities		
Net income	\$ 94.6	\$ 83.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	16.9	14.2
Stock-based compensation expense	25.2	14.8
Changes in operating assets and liabilities, net of business combinations	48.6	79.3
Net cash provided by operating activities	<u>185.3</u>	<u>191.6</u>
Investing Activities		
Purchases of available-for-sale marketable securities	(2.1)	(447.7)
Sales of available-for-sale marketable securities	0.8	358.0
Capital and other expenditures	(13.4)	(6.8)
Capitalization of software development costs	(1.0)	—
Business combinations, net of cash acquired	0.2	—
Net cash used in investing activities	<u>(15.5)</u>	<u>(96.5)</u>
Financing Activities		
Proceeds from issuance of common stock, net of issuance costs	35.3	—
Repurchases of common stock	(256.6)	—
Draw on line of credit, net of repayments	40.0	—
Net cash used in financing activities	<u>(181.3)</u>	<u>—</u>
Effect of exchange rate changes on cash and cash equivalents	2.7	1.3
Net increase (decrease) in cash and cash equivalents	(8.8)	96.4
Cash and cash equivalents at beginning of year	917.9	665.9
Cash and cash equivalents at end of period	<u>\$ 909.1</u>	<u>\$ 762.3</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

AUTODESK, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In millions, except share and per share data)

1. Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements of Autodesk, Inc. (“Autodesk” or the “Company”) as of April 30, 2008, and for the three months ended April 30, 2008, have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information along with the instructions to Form 10-Q and Article 10 of Securities and Exchange Commission (“SEC”) Regulation S-X. Accordingly, they do not include all of the information and notes required by generally accepted accounting principles (“GAAP”) for annual financial statements. In management’s opinion, Autodesk has made all adjustments (consisting only of normal, recurring adjustments) during the quarter that were considered necessary for fair presentation of the financial position and operating results of the Company. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect reported amounts in the financial statements and accompanying notes. These estimates are based on information available as of the date of the unaudited Condensed Consolidated Financial Statements. Actual results could differ from those estimates. In addition, the results of operations for the three months ended April 30, 2008 are not necessarily indicative of the results for the entire fiscal year ending January 31, 2009, or for any other period. These unaudited Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and related notes, together with management’s discussion and analysis of financial position and results of operations contained in Autodesk’s Annual Report on Form 10-K for the fiscal year ended January 31, 2008 (the “2008 Form 10-K”) filed on March 28, 2008. Certain reclassifications have been made to prior year amounts to conform to the current presentation. See Note 6, “Deferred Compensation” and Note 15, “Segments,” below.

2. Recently Issued Accounting Standards

In March 2008, the Financial Accounting Standards Board (“FASB”) issued Statement of Financial Accounting Standards No. 161 “Disclosures about Derivative Instruments and Hedging Activities—an Amendment of FASB Statement No. 133” (“SFAS 161”). SFAS 161 expands the disclosure requirements for derivative and hedging activities in an effort to improve the transparency of financial reporting. This statement will be effective for Autodesk’s fiscal year beginning February 1, 2009; early application is encouraged, but not required. Autodesk does not believe that the adoption of SFAS 161 will have a material effect on Autodesk’s consolidated financial position, results of operations or cash flows.

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 141 (revised 2007) “Business Combinations” (“SFAS 141R”). SFAS 141R establishes principles and requirements for how an acquirer recognizes and measures the identifiable assets acquired, the liabilities assumed, any noncontrolling interest in the acquiree and the goodwill acquired in its financial statements. SFAS 141R also establishes disclosure requirements to enable the evaluation of the nature and financial effects of the business combination. It further requires acquisition-related costs to be recognized separately from the acquisition and expensed as incurred, restructuring costs generally be expensed in periods subsequent to the acquisition date, and changes in accounting for deferred tax asset valuation allowances and acquired income tax uncertainties after the measurement period, which will impact income tax expense. In addition, acquired in-process research and development (IPR&D) is capitalized as an intangible asset and amortized over its estimated useful life. This statement will be effective for Autodesk’s fiscal year beginning February 1, 2009. The impact that SFAS 141R has on Autodesk’s consolidated financial position, results of operations and cash flows will be dependent on the number and size of business combinations that the Company consummates subsequent to the adoption of the standard.

In December 2007, the FASB also issued Statement of Financial Accounting Standards No. 160 “Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51” (“SFAS 160”). SFAS 160 establishes accounting and reporting standards for ownership interests in subsidiaries held by parties other than the parent, the amount of consolidated net income attributable to the parent and to the noncontrolling

interest, changes in a parent's ownership interest, and the valuation of retained noncontrolling equity investments when a subsidiary is deconsolidated. SFAS 160 also establishes disclosure requirements that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. This statement will be effective for Autodesk's fiscal year beginning February 1, 2009. Autodesk does not believe the adoption of SFAS 160 will have a material effect on its consolidated financial position, results of operations or cash flows.

3. Concentration of Credit Risks and Significant Customers

Autodesk places its cash, cash equivalents and marketable securities with and in the custody of financial institutions with high credit standing and, by policy, limits the amounts invested with any one institution, by type of security and issuer. As of April 30, 2008, Autodesk's investment portfolio included two auction rate securities with an estimated fair value of \$8.3 million (\$9.0 million cost basis). Autodesk's auction rate securities are variable rate debt instruments that have underlying securities with contractual maturities greater than ten years and interest rates that are reset at auction every 28 days. These AAA-rated auction rate securities, which met Autodesk's investment guidelines at the time the investments were made, have failed to settle in auctions since August 2007. Under the contractual terms of these investments, because the auctions failed to settle, the interest rate on these investments reset to the London Interbank Offered Rate ("Libor"), plus 125 basis points. This adjusted interest rate represents a premium interest rate on these investments. As of April 30, 2008, these investments are not currently liquid, and in the event Autodesk needs to access these funds, the Company will not be able to do so without a loss of principal unless a future auction on these investments is successful. Autodesk has reduced the carrying value of these investments by \$0.7 million, \$0.4 million net of tax, through other comprehensive income or loss to reflect a temporary impairment on these securities. Currently, Autodesk believes these investments are not other-than-temporarily impaired, but it is not clear in what period of time they will be settled. Based on its ability to access its cash and other short-term investments, its expected operating cash flows and its other sources of cash, Autodesk has the intention and ability to hold the securities until the value recovers or to maturity. The Company will continue to evaluate its accounting for these investments quarterly.

In the first quarters of fiscal 2009 and 2008, total sales to distributor, Tech Data Corporation and its global affiliates ("Tech Data"), accounted for 17% and 15% of Autodesk's consolidated net revenue, respectively. The majority of the net revenue from sales to Tech Data relates to Autodesk's Platform Solutions and Emerging Business and Other; Architecture, Engineering and Construction; and Manufacturing Solutions segments and is from outside of the United States. In addition, Tech Data accounted for 19% and 15% of gross accounts receivable at April 30, 2008 and January 31, 2008, respectively.

4. Employee Stock-Based Compensation

Stock Option Plans

As of April 30, 2008, Autodesk maintained two active stock option plans for the purpose of granting stock options to employees and to non-employee members of Autodesk's Board of Directors: the 2008 Employee Stock Plan ("2008 Plan"), which is available only to employees, and the 2000 Directors' Option Plan, as amended ("2000 Plan"), which is available only to non-employee directors. Additionally, there are seven expired or terminated plans with options outstanding, including the 2006 Employee Stock Plan ("2006 Plan"), which was replaced by the 2008 Plan in March 2008.

The 2008 Plan, which was approved by Autodesk's stockholders in November 2007, reserved 16.5 million shares of Autodesk common stock, plus 0.48 million shares that remained available for issuance under the 2006 Plan upon its expiration, for issuance under the plan. The 2008 Plan permits the grant of stock options, restricted stock and restricted stock units; however, no more than 2.5 million of the shares reserved for issuance under the 2008 Plan may be issued pursuant to awards of restricted stock and restricted stock units. At April 30, 2008, 14.1 million shares were available for future issuance under that plan. The 2008 Plan will expire in March 2011.

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The 2000 Plan, which was originally approved by the stockholders in June 2000, allows for an automatic annual grant of options to non-employee members of Autodesk's Board of Directors. At April 30, 2008, 0.31 million shares were available for future issuance. The 2000 Plan will expire in March 2010.

Options granted under the above mentioned active plans vest over periods ranging from one to four years and expire within four to seven years from the date of grant. Under the 2008 Plan and the 2000 Plan, the option term is limited to no more than seven years. During the first quarter of fiscal 2009 and all of fiscal 2008, the exercise price of all stock options granted under these plans was equal to the fair market value of the stock on the grant date.

A summary of stock option activity for the first quarter of fiscal 2009 is as follows:

	Number of Shares (in thousands)	Weighted average price per share
Options outstanding at January 31, 2008	24,506	\$ 28.75
Granted	5,014	32.32
Exercised	(533)	13.43
Forfeited	(206)	39.66
Expired	(11)	
Options outstanding at April 30, 2008	<u>28,770</u>	\$ 29.58
Options exercisable at April 30, 2008	14,789	\$ 20.99
Options available for grant at April 30, 2008	14,407	

The total pre-tax intrinsic value of options exercised during the first quarter of fiscal 2009 was \$12.0 million. There were no stock options exercised during the first quarter of fiscal 2008 due to Autodesk's voluntary review of its historical stock option grant practices. The intrinsic value of options exercised is calculated as the difference between the exercise price of the option and the market value of the stock on the date of exercise. The weighted average grant date fair value of stock options granted during the first quarter of fiscal 2009 and 2008, calculated as of the stock option grant date using the Black-Scholes-Merton option-pricing model, was \$9.90 and \$12.92 per share, respectively. As of April 30, 2008, total compensation cost related to non-vested awards not yet recognized of \$114.3 million is expected to be recognized over a weighted average period of 2.4 years.

The following table summarizes information about options outstanding and exercisable at April 30, 2008:

	Options Exercisable			Options Outstanding				
	Number of Shares (in thousands)	Weighted average contractual life (in years)	Weighted average exercise price	Aggregate intrinsic value ⁽¹⁾ (in millions)	Number of Shares (in thousands)	Weighted average contractual life (in years)	Weighted average exercise price	Aggregate intrinsic value ⁽¹⁾ (in millions)
Range of per-share exercise prices:								
\$ 0.20 - \$14.40	6,781		\$ 10.26		6,806		\$ 10.23	
\$16.42 - \$31.68	4,908		24.93		8,298		27.52	
\$32.33 - \$38.00	2,283		36.68		6,192		35.47	
\$38.10 - \$45.29	606		40.98		6,401		43.94	
\$47.24 - \$49.80	211		47.24		1,073		48.54	
	<u>14,789</u>	4.6	\$ 20.99	\$ 255.2	<u>28,770</u>	5.0	\$ 29.58	\$ 291.6

⁽¹⁾ Represents the total pre-tax intrinsic value, based on Autodesk's closing stock price of \$38.00 per share as of April 30, 2008, which would have been received by the option holders had all option holders exercised their options as of that date.

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These options will expire if not exercised prior to specific dates ranging through November 2015. At April 30, 2008, a total of 14.4 million shares of Autodesk's common stock have been reserved for future issuance under existing stock option programs.

1998 Employee Qualified Stock Purchase Plan ("ESP Plan")

Under Autodesk's ESP Plan, which was approved by stockholders in 1998, eligible employees may purchase shares of Autodesk's common stock at their discretion using up to 15% of their compensation subject to certain limitations, at not less than 85% of fair market value as defined in the ESP Plan ("ESP Plan fair market value"). At April 30, 2008, a total of 25.8 million shares were available for future issuance. This amount is automatically increased on the first trading day of each fiscal year by an amount equal to the lesser of 10.0 million shares or 2.0% of the total of (1) outstanding shares plus (2) any shares repurchased by Autodesk during the prior fiscal year. Under the ESP Plan, the Company issues shares on the first trading day following March 31 and September 30 of each fiscal year. The ESP Plan expires during fiscal 2018.

On August 17, 2006, Autodesk disclosed that the Audit Committee of the Board of Directors was conducting a voluntary review of Autodesk's historical stock option granting practices and related accounting issues. Due to this review, Autodesk was not current with its reporting obligations under the Securities Exchange Act of 1934 until June 2007, and suspended contributions and purchases under the ESP Plan during the first quarter of fiscal 2008. On September 18, 2006, Autodesk's Board of Directors approved an amendment to the Company's ESP Plan which provided for active participant employees at the time of the suspension to become automatically enrolled in the next offering period, unless they elected not to participate. The Board of Directors also approved a one-time cash bonus of \$8.8 million to non-executive employees enrolled in the ESP Plan at that date. This bonus approximated the profits employee participants would have made on the scheduled September 30, 2006 exercise date, had the purchases been made and the shares been sold on the next trading day at close of market, and was expensed as additional compensation expense at the time it was paid. On March 22, 2007, Autodesk's Board of Directors approved an amendment, which superseded the September 18, 2006 amendment, which provided for active participant employees at the time of the suspension to become automatically enrolled in the next offering period ending in September 2007, unless they elected not to participate. In June 2007 the Company became current with its financial filings and resumed employee contributions to the ESP Plan.

Autodesk issued 1.1 million shares under the ESP Plan during the first quarter of fiscal 2009 at an average price of \$26.76 per share. During the first quarter of fiscal 2008, Autodesk did not issue any shares under the ESP Plan. The weighted average grant date fair value of awards granted under the ESP Plan during the first quarter of fiscal 2009, calculated as of the award grant date using the Black-Scholes-Merton option-pricing model, was \$10.39 per share.

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Stock-based Compensation Expense

On February 1, 2006, Autodesk adopted Statement of Financial Accounting Standards No. 123R “Share-Based Payment” (“SFAS 123R”), which requires the measurement of all stock-based payments to employees and directors, including grants of employee stock options and employee stock purchases related to the ESP Plan, using a fair-value based method and the recording of such expense in Autodesk’s Condensed Consolidated Statements of Income. The estimated fair value of stock-based awards is amortized to expense on a straight-line basis over the awards’ vesting period. The following table summarizes stock-based compensation expense related to employee stock options and employee stock purchases for the first quarters of fiscal 2009 and 2008, respectively, which was recorded as follows:

	Three Months Ended <u>April 30, 2008</u>	Three Months Ended <u>April 30, 2007</u>
Cost of license and other revenue	\$ 1.0	\$ 0.6
Marketing and sales	10.5	6.3
Research and development	8.4	4.7
General and administrative	5.3	3.2
Stock-based compensation expense related to employee options and employee stock purchases	25.2	14.8
Tax benefit	(5.3)	(4.5)
Stock-based compensation expense related to employee stock options and employee stock purchases, net of tax	<u>\$ 19.9</u>	<u>\$ 10.3</u>

Autodesk uses the Black-Scholes-Merton option-pricing model to estimate the fair value of option awards and the fair value of awards under the ESP Plan based on the following assumptions:

	Three Months Ended <u>April 30, 2008</u>		Three Months Ended <u>April 30, 2007</u>	
	<u>Stock Option Plans</u>	<u>ESP Plan</u>	<u>Stock Option Plans</u>	<u>ESP Plan</u>
Range of expected volatilities	0.37	0.36 - 0.41	0.36	0.29 - 0.34
Range of expected lives (in years)	2.7 - 4.0	0.5 - 2.0	2.6 - 4.0	0.28 - 1.78
Expected dividends	0%	0%	0%	0%
Range of risk-free interest rates	1.82 - 2.24%	1.53 - 1.75%	4.54 - 4.56%	4.93 - 5.06%
Expected forfeitures	13.6%	13.6%	13.0%	13.0%

Autodesk estimates expected volatility for options granted under the Company’s stock option plans and ESP Plan awards based on two measures. The first is a measure of historical volatility in the trading market for the Company’s common stock, and the second is the implied volatility of traded forward call options to purchase shares of the Company’s common stock.

Autodesk estimates the expected life of options granted under the Company’s stock option plans using both exercise behavior and post-vesting termination behavior, as well as consideration of outstanding options.

Autodesk does not currently pay, and does not anticipate paying, any cash dividends in the foreseeable future. Consequently, an expected dividend yield of zero is used in the Black-Scholes-Merton option valuation model.

The risk-free interest rate used in the Black-Scholes-Merton option valuation model for options granted under the Company’s stock option plans and ESP Plan awards is the historical yield on U.S. Treasury securities with equivalent remaining lives.

In addition to the assumptions used in the Black-Scholes-Merton pricing model, SFAS 123R requires that the Company recognize expense only for the awards that are ultimately expected to vest. Therefore, Autodesk is required to develop an estimate of the number of awards expected to cancel prior to vesting (“forfeiture rate”).

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The forfeiture rate is estimated based on historical pre-vest cancellation experience, and is applied to all share-based awards. The Company estimates forfeitures at the time of grant and revises those estimates in subsequent periods if actual forfeitures differ from those estimates.

As a result of the Company's voluntary review of its historical stock option grant practices, it was determined that certain stock options had been issued by the Company with exercise prices below the fair value of the stock at the time of grant ("discounted options"). Under Section 409A of the U.S. Internal Revenue Code ("Section 409A") and a comparable provision of the California tax code ("California Section 409A"), adverse tax consequences to employees may arise as a result of the exercise of these discounted stock options. In order to alleviate adverse tax consequences to Autodesk employees, the Company informed affected employees that it would be participating in 409A compliance programs offered by these tax jurisdictions. These compliance programs allow the Company to pay the taxes due on these discounted options on behalf of its employees. During the first quarter of fiscal 2008, Autodesk's Board of Directors approved the payment of these taxes. Accordingly, the Company recorded \$12.0 million of employee tax expenses during the first quarter of fiscal 2008 and \$1.4 million of employee tax expenses during the fourth quarter of fiscal 2008.

5. Income Taxes

Autodesk's effective tax rate was 25% during the first quarters of fiscal 2009 and 2008. The effective tax rate for the first quarter of fiscal 2009 is less than the Federal statutory tax rate of 35% primarily due to lower-taxed foreign income and state research tax credits offset by the impact of SFAS 123R.

At April 30, 2008, Autodesk had net deferred tax assets of \$136.5 million. Realization of these assets is dependent on Autodesk's ability to generate approximately \$366.0 million of future taxable income in appropriate tax jurisdictions. The Company believes that sufficient income will be earned in the future to realize these assets.

6. Deferred Compensation

At April 30, 2008, Autodesk had marketable securities totaling \$41.2 million, of which \$29.0 million related to investments in debt and equity securities that are held in a rabbi trust under non-qualified deferred compensation plans. The value of debt and equity securities held in the rabbi trust at January 31, 2008 was \$26.7 million. The total related deferred compensation liability was \$29.0 million at April 30, 2008, of which \$2.0 million was classified as current and \$27.0 million was classified as non-current liabilities. The total related deferred compensation liability at January 31, 2008 was \$26.7 million, of which \$2.0 million was classified as current and \$24.7 million was classified as non-current liabilities. The current and non-current portions of the liability are recorded in the Condensed Consolidated Balance Sheets under "Accrued compensation" and "Other liabilities," respectively. During the first quarter of fiscal 2009, Autodesk changed its estimate of estimating the maturity of the deferred compensation liability. Therefore, \$16.2 million was reclassified from the January 31, 2008 "Accrued compensation" balance to the "Other liabilities" balance to conform to the current period presentation.

7. Computer Equipment, Software, Furniture and Leasehold Improvements, Net

Computer equipment, software, furniture and leasehold improvements and the related accumulated depreciation were as follows:

	April 30, 2008	January 31, 2008
Computer equipment, software and furniture, at cost	\$ 265.8	\$ 257.9
Leasehold improvements, at cost	71.8	61.2
	337.6	319.1
Less: Accumulated depreciation	(253.3)	(238.9)
Computer equipment, software, furniture and other leasehold improvements, net	<u>\$ 84.3</u>	<u>\$ 80.2</u>

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8. *Purchased Technologies, Net*

Purchased technologies and the related accumulated amortization were as follows:

	April 30, 2008	January 31, 2008
Purchased technologies	\$ 228.3	\$ 227.5
Less: Accumulated amortization	(167.7)	(163.1)
Purchased technologies, net	<u>\$ 60.6</u>	<u>\$ 64.4</u>

Expected future amortization expense for purchased technologies for the remainder of fiscal 2009 and for each of the fiscal years thereafter is as follows:

	Year ending January 31,
2009—remaining 9 months	\$ 12.9
2010	16.2
2011	14.9
2012	12.0
2013	3.6
Thereafter	1.0
Total	<u>\$ 60.6</u>

9. *Goodwill*

The changes in the carrying amount of goodwill during the first quarter of fiscal 2009 are as follows:

	Platform Solutions and Emerging Business and Other	Architecture, Engineering and Construction	Manufacturing Solutions	Media and Entertainment	Total
Balance as of January 31, 2008	\$ 1.6	\$ 200.8	\$ 133.3	\$ 107.7	\$443.4
Effect of foreign currency translation, purchase accounting adjustments and other	—	3.5	0.4	0.3	4.2
Balance as of April 30, 2008	<u>\$ 1.6</u>	<u>\$ 204.3</u>	<u>\$ 133.7</u>	<u>\$ 108.0</u>	<u>\$447.6</u>

The increase in Autodesk's goodwill balance during the first quarter of fiscal 2009 was primarily due to changes in foreign currency exchange rates and purchase accounting adjustments related to the acquisition of Robobat S.A., which closed in the fourth quarter of fiscal 2008.

10. *Line of Credit*

Autodesk has a U.S. line of credit facility which permits unsecured short-term borrowings of up to \$250.0 million, and is available for working capital or other business needs. The credit agreement contains customary covenants which could restrict liens, certain types of additional debt and dispositions of assets if Autodesk fails to maintain its financial covenants. As of April 30, 2008, Autodesk had \$40.0 million of outstanding borrowings, which were recorded in "Borrowings under line of credit" on the balance sheet. Autodesk drew on this line during the first quarter of fiscal 2009 because of a temporary difference between cash needs and cash availability in the United States; Autodesk principally used the facility to fund the 8.0 million share repurchase (see Note 12, "Stock Repurchase Program"). This facility expires in August 2012.

11. *Commitments and Contingencies*

Guarantees and Indemnifications

In the normal course of business, Autodesk provides indemnifications of varying scopes, including limited product warranties and indemnification of customers against claims of intellectual property infringement made by third parties arising from the use of its products or services. Autodesk accrues for known indemnification issues if a loss is probable and can be reasonably estimated. Historically, costs related to these indemnifications have not been significant, but because potential future costs are highly variable, Autodesk is unable to estimate the maximum potential effect of these indemnifications on its future results of operations.

In connection with the purchase, sale or license transactions of assets or businesses with third parties, Autodesk has entered into or assumed customary indemnification agreements related to the assets or businesses purchased, sold or licensed. Historically, costs related to these indemnifications or guarantees have not been significant, but because potential future costs are highly variable, Autodesk is unable to estimate the maximum potential effect of these indemnifications on its future results of operations.

As permitted under Delaware law, Autodesk has agreements whereby it indemnifies its officers and directors for certain events or occurrences while the officer or director is, or was, serving at Autodesk's request in such capacity. The maximum potential amount of future payments Autodesk could be required to make under these indemnification agreements is unlimited; however, Autodesk has Directors' and Officers' Liability insurance coverage that is intended to reduce its financial exposure and may enable Autodesk to recover a portion of any future amounts paid. Autodesk believes the estimated fair value of these indemnification agreements in excess of applicable insurance coverage is minimal.

Legal Proceedings

The following is a summary of material pending matters for which there were material developments for the three month period ended April 30, 2008.

On August 26, 2005, Telstra corporation limited ("Telstra") filed suit in the Federal Court of Australia, Victoria District Registry against Autodesk Australia Pty Ltd. ("AAPL") seeking partial indemnification for claims filed against Telstra by SpatialInfo Pty Limited relating to Telstra's use of certain software in the management of its computer based cable plant records system. On December 12, 2005, SpatialInfo added AAPL as a defendant to its lawsuit against Telstra. In February 2008, the parties agreed to settle all outstanding claims and dismiss the action. The final resolution of the litigation did not have a material effect on Autodesk's results of operations, cash flows or financial position in a particular period.

During the fourth quarter of fiscal 2007, three stockholder derivative lawsuits were filed against Autodesk and certain of the Company's current and former directors and officers relating to its historical stock option practices and related accounting: on November 20, 2006, the Company and certain of its current and former members of the Board were sued in United States Federal District Court for the Northern District of California in a stockholder derivative action, entitled "Giles v. Bartz, et al.," Case No. C06-8175 (the "Giles Case"). On December 29, 2006, the Company, certain of its current and former members of the Board, and certain current and past executive officers were sued in United States Federal District Court for the Northern District of California in a stockholder derivative action, entitled "Campion v. Sutton, et al.," Case No. C06-07967. This lawsuit was consolidated into the previously mentioned Giles case and later voluntarily dismissed by the plaintiff on January 31, 2007. On January 9, 2007, the Company, certain of its current and former members of the Board, and current and former executive officers were sued in the Superior Court for the State of California, County of Marin in a stockholder derivative action, entitled "Koerner v. Bartz, et al.," Case No. CV-070112 (the "Koerner Case"). The plaintiff in the Giles Case filed an amended and restated complaint on December 3, 2007, and the plaintiff in the Koerner Case filed an amended and restated complaint on December 7, 2007. These actions are in the preliminary stages and Autodesk cannot determine the final financial impact of these matters based on the facts known at this time. However, it is possible that an unfavorable resolution of the matters could occur and materially affect its future results of operations, cash flows or financial position in a particular period.

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In connection with Autodesk's anti-piracy program, designed to enforce copyright protection of its software and conducted both internally and through the Business Software Alliance ("BSA"), from time to time the Company undertakes litigation against alleged copyright infringers or provides information to criminal justice authorities to conduct actions against alleged copyright infringers. Such lawsuits have led to counter claims alleging improper use of litigation or violation of other local law.

In addition, Autodesk is involved in legal proceedings from time to time arising from the normal course of business activities including claims of alleged infringement of intellectual property rights, commercial, employment, piracy prosecution and other matters. In the Company's opinion, resolution of pending matters is not expected to have a material adverse impact on its consolidated results of operations, cash flows or its financial position. However, it is possible that an unfavorable resolution of one or more such proceedings could in the future materially affect its future results of operations, cash flows or financial position in a particular period.

12. Stock Repurchase Program

Autodesk has a stock repurchase program that helps offset the dilution to net income per share caused by the issuance of stock under the Company's employee stock plans and returns excess cash generated from its business to shareholders. During the quarter ended April 30, 2008, Autodesk repurchased 8.0 million shares of its common stock on the open market at an average repurchase price of \$32.06 per share and subsequently retired those shares. There were no repurchases of Autodesk common stock during the first quarter of fiscal 2008. Common stock and additional paid-in capital and retained earnings were reduced by \$96.1 million and \$160.5 million, respectively, for the first quarter of fiscal 2009, as a result of the stock repurchases. As of April 30, 2008, 16.1 million shares remained available for repurchase under this program. The number of shares acquired and the timing of the purchases are based on several factors, including general market conditions, the number of employee stock option exercises, the trading price of Autodesk common stock, cash on hand and available in the United States, and company defined trading windows.

13. Comprehensive Income

The changes in the components of other comprehensive income, net of taxes, were as follows:

	Three Months Ended	
	April 30,	
	2008	2007
Net income	\$ 94.6	\$ 83.3
Net unrealized gains (losses) on available-for-sale securities:		
Change in net unrealized loss on available-for-sale securities, net of tax benefit	(0.1)	—
Net change in cumulative foreign currency translation adjustment	6.4	6.0
Total comprehensive income	<u>\$ 100.9</u>	<u>\$ 89.3</u>

14. Net Income Per Share

The following table sets forth the computation of the numerators and denominators used in the basic and diluted net income per share amounts:

	Three Months Ended April 30,	
	2008	2007
Numerator:		
Numerator for basic and diluted net income per share—net income	\$ 94.6	\$ 83.3
Denominator:		
Denominator for basic net income per share—weighted average shares	226.2	231.2
Effect of dilutive common stock options	6.4	12.6
Denominator for dilutive net income per share	232.6	243.8

The computation of diluted net income per share does not include 13.8 million shares for the first quarter of fiscal 2009 and 6.7 million shares for the first quarter of fiscal 2008. These shares were excluded in the computation of basic and diluted net income per share because they were anti-dilutive under the treasury stock method, in accordance with the FASB's Statement of Financial Accounting Standards No. 128, "Earnings per Share."

15. Segments

During fiscal 2008, Autodesk had two reportable segments, the Design Solutions Segment and the Media and Entertainment Segment. Periodically, Autodesk's chief decision making officer (Autodesk's Chief Executive Officer) evaluates the performance of Autodesk's operating segments and implements organizational changes accordingly. In fiscal 2009, changes to Autodesk's internal sales organization, as well as the continued focus on specialized vertical distribution channels, has affected how management views the operations of the business. Consequently, effective February 1, 2008, the Company began reporting in four reportable segments: Platform Solutions and Emerging Business and Other ("PSEB"), Architecture, Engineering and Construction ("AEC"), Manufacturing Solutions ("MSD") and Media and Entertainment ("M&E"). Location Services, which is not included in any of the above reportable segments, continues to be reflected as Other. Autodesk believes that reporting in these four segments is consistent with Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information (as amended)," given the Company's recent organizational changes. Prior periods have been conformed to the current period presentation. Autodesk has no material inter-segment revenue.

The PSEB, AEC and MSD segments derive revenue from the sale of licenses for software products and services to customers who design, build, manage or own building, manufacturing and infrastructure projects. The M&E segment derives revenue from the sale of products to creative professionals, post-production facilities, and broadcasters for a variety of applications, including feature films, television programs, commercials, music and corporate videos, interactive game production, web design and interactive web streaming.

PSEB, consisting of Autodesk's core platform, AutoCAD, underpins the Company's design offerings for all industries. PSEB also consists of Autodesk's Geospatial and Plant Design businesses in addition to emerging business opportunities such as collaboration, software as a service and visualization. PSEB's revenue primarily includes revenue from sales of licenses of Autodesk's 2D horizontal products, AutoCAD and AutoCAD LT, as well as Autodesk's 2D industry-specific product, AutoCAD Map 3D, and revenue from Autodesk Consulting.

AEC solutions enable customers and their clients to reduce inefficiencies in building design, civil engineering, construction and construction management, and supporting information needs throughout the building lifecycle. The segment's solutions include advanced technology for building information modeling, AutoCAD-based design and documentation productivity software, dynamic civil modeling software and collaborative project management software. AEC's revenue primarily includes revenue from the sales of licenses of Revit products, AutoCAD Architecture, AutoCAD Civil 3D and Autodesk Buzzsaw and Constructware.

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MSD provides the manufacturing industry with comprehensive design, data management and Digital Prototyping solutions, enabling customers to rapidly adopt 3D model-based design, create and validate designs in a simple 2D/3D environment, and manage designs from the conceptual design phase through the manufacturing phase. MSD's revenue primarily includes revenue from the sales of licenses of Autodesk Inventor products and AutoCAD Mechanical.

M&E is comprised of two business lines: animation, including design visualization, and Advanced Systems. Animation products such as Autodesk 3ds Max and Autodesk Maya provide advanced tools for 3D modeling, animation, rendering solutions, and design visualization and visual effects production. Advanced Systems products provide color grading, editing, finishing and visual effects, compositing, media mastering and encoding technology and increase the productivity of creative professionals.

All of Autodesk's reportable segments distribute their respective products primarily through authorized dealers and distributors and, to a lesser extent, through direct sales to end-users.

Autodesk evaluates each segment's performance on the basis of gross profit. Autodesk currently does not separately accumulate and report asset information by segment except for goodwill, which is disclosed in Note 9, "Goodwill." Information concerning the operations of Autodesk's reportable segments is as follows:

	Three Months Ended	
	April 30,	
	2008	2007
Net revenue:		
Platform Solutions and Emerging Business and Other	\$ 278.0	\$ 251.4
Architecture, Engineering and Construction	129.1	99.8
Manufacturing Solutions	119.1	94.4
Media and Entertainment	67.3	59.2
Other ⁽¹⁾	5.3	3.8
	<u>\$ 598.8</u>	<u>\$ 508.6</u>
Gross profit:		
Platform Solutions and Emerging Business and Other	\$ 262.4	\$ 237.1
Architecture, Engineering and Construction	119.3	91.2
Manufacturing Solutions	110.2	86.2
Media and Entertainment	50.1	42.9
Unallocated ⁽²⁾	(1.0)	(1.5)
	<u>\$ 541.0</u>	<u>\$ 455.9</u>

(1) Other primarily consists of revenue from Autodesk's Location Services Division.

(2) Unallocated amounts primarily relate to corporate expenses and other costs and expenses that are managed outside the reportable segments, including expense from stock-based compensation recorded under SFAS 123R.

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Information regarding Autodesk's operations by geographic area is as follows:

	Three Months Ended	
	April 30,	
	2008	2007
Net revenue:		
U.S.	\$ 161.0	\$ 156.6
Other Americas	30.4	27.8
Total Americas	191.4	184.4
Europe, Middle East and Africa	259.0	206.9
Japan	62.8	46.9
Other Asia/Pacific	85.6	70.4
Asia/Pacific	148.4	117.3
Total net revenue	<u>\$ 598.8</u>	<u>\$ 508.6</u>

16. *Financial Instruments*

Forwards and Options

Under its risk management strategy, Autodesk uses derivative instruments to manage its short-term exposures to fluctuations in foreign currency exchange rates, which exist as part of the ongoing business operations. Autodesk's general practice is to use forward and option contracts to hedge a majority of transaction exposures denominated in euros, Swiss francs, Canadian dollars, British pounds and Japanese yen. These foreign currency instruments have maturities of less than three months. Autodesk does not enter into any foreign exchange derivative instruments for trading or speculative purposes.

Autodesk's forward contracts, which are not designated as hedging instruments under Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," ("SFAS 133"), are used to reduce the exchange rate risk associated primarily with receivables and payables. Forward contracts are marked-to-market at the end of each reporting period, with gains and losses recognized as other income or expense to offset the gains or losses resulting from the settlement of the underlying foreign currency denominated receivables and payables. The notional amounts of foreign currency contracts were \$105.8 million at April 30, 2008 and \$66.9 million at January 31, 2008. While the contract or notional amount is often used to express the volume of foreign exchange contracts, the amounts potentially subject to credit risk are generally limited to the amounts, if any, by which the counterparties' obligations under the agreements exceed the obligations of Autodesk to the counterparties.

In addition to the forward contracts, Autodesk utilizes foreign currency option collar contracts to reduce the exchange rate impact on a portion of the net revenue of certain anticipated transactions. These option contracts, which are designated and documented as cash flow hedges and qualify for hedge accounting treatment under SFAS 133. For cash flow hedges, derivative gains and losses included in comprehensive income are reclassified into earnings at the time the forecasted revenue is recognized or the option expires. The cost of these foreign currency option collars is recorded as "Prepaid expenses and other current assets" and "Other accrued liabilities" on the Company's Condensed Consolidated Balance Sheets. The notional amounts of foreign currency option contracts were \$138.4 million at April 30, 2008 and \$131.8 million at January 31, 2008, and the critical terms were generally the same as those of the underlying exposure. Gains, if any, from the effective portion of the option contracts, as determinable under SFAS 133, are recognized as net revenue, while the ineffective portion of the option contract is recorded in "Interest and other income, net." There were \$2.4 million net settlement losses recorded during the first quarter of fiscal 2009. Net settlement losses were less than \$0.1 million during the first quarter of fiscal 2008. Amounts associated with the cost of the options, which were recorded in "Interest and other income, net," were \$0.2 million and \$0.1 million during the first quarter of fiscal 2009 and 2008, respectively.

[Table of Contents](#)*Marketable Securities*

The following table shows the gross unrealized losses and fair value of Autodesk's investments with unrealized losses that are deemed not to be other-than-temporarily impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at April 30, 2008.

Description of Securities	Less Than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Taxable auction-rate securities	\$ 8.3	\$ 0.7	\$ —	\$ —	\$ 8.3	\$ 0.7

At April 30, 2008, Autodesk's investment portfolio included two auction rate securities with an estimated fair value of \$8.3 million (\$9.0 million cost basis). Autodesk's auction rate securities are variable rate debt instruments that have underlying securities with contractual maturities greater than ten years and interest rates that are reset at auction every 28 days. These AAA-rated auction rate securities, which met Autodesk's investment guidelines at the time the investments were made, have failed to settle in auctions since August 2007. Under the contractual terms of these investments, because the auctions failed to settle, the interest rate on these investments reset to the Libor rate plus 125 basis points, which represents a premium interest rate on these investments. At this time, these investments are not currently liquid, and in the event Autodesk needs to access these funds, the Company will not be able to do so without a loss of principal unless a future auction on these investments is successful. Currently, Autodesk believes these investments are not other-than-temporarily impaired, but it is not clear in what period of time they will be settled. Based on its ability to access its cash and other short-term investments, its expected operating cash flows and its other sources of cash, Autodesk has the intention and ability to hold the securities until the value recovers or to maturity. Due to the lack of liquidity of these investments, they are included in non-current "Marketable securities" on the accompanying Condensed Consolidated Balance Sheets. The Company will continue to evaluate its accounting for these investments quarterly.

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Fair Value Measurements

Autodesk adopted Statement of Financial Accounting Standards No. 157 “Fair Value Measurements” (“SFAS 157”) effective February 1, 2008 for financial assets and liabilities measured on a recurring basis. SFAS 157 clarifies that fair value is an exit price, representing the amount that would be received upon the sale of an asset, or the amount paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, SFAS 157 establishes a three-tier value hierarchy, which prioritizes the inputs used in measuring fair value as follows: (Level 1) observable inputs such as quoted prices in active markets; (Level 2) inputs other than the quoted prices in active markets that are observable either directly or indirectly in active markets; and (Level 3) unobservable inputs in which there is little or no market data, which require Autodesk to develop its own assumptions. SFAS 157 requires Autodesk to maximize the use of observable market data, and to minimize the use of unobservable inputs when determining fair value. On a recurring basis, Autodesk measures at fair value certain financial assets and liabilities, which consist of cash equivalents, marketable securities and foreign currency contracts. The following table summarizes the valuation of Autodesk’s investments and the financial instruments which were determined by using the following inputs at April 30, 2008:

	Fair Value Measurements at April 30, 2008 Using			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant and Unobservable Inputs (Level 3)	
Assets				
Cash equivalents ⁽¹⁾ :				
Time deposits	\$ —	\$ 180.5	\$ —	\$ 180.5
Money market mutual funds	—	307.0	—	307.0
Marketable securities:				
Mutual funds	29.0	—	—	29.0
Bank time deposits	—	3.9	—	3.9
Taxable auction-rate securities	—	—	8.3	8.3
Foreign currency derivative contracts ⁽²⁾	—	1.0	—	1.0
Total	<u>\$ 29.0</u>	<u>\$ 492.4</u>	<u>\$ 8.3</u>	<u>\$ 529.7</u>
Liabilities				
Foreign currency derivative contracts ⁽³⁾	—	0.7	—	0.7
Total	<u>\$ —</u>	<u>\$ 0.7</u>	<u>\$ —</u>	<u>\$ 0.7</u>

(1) Included in “Cash and cash equivalents” in the accompanying Condensed Consolidated Balance Sheet as of April 30, 2008, in addition to \$421.6 million of cash.

(2) Included in “Prepaid expenses and other current assets” in the accompanying Condensed Consolidated Balance Sheet as of April 30, 2008.

(3) Included in “Other accrued liabilities” in the accompanying Condensed Consolidated Balance Sheet as of April 30, 2008.

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Autodesk's cash equivalents and marketable securities are primarily classified within Level 1 or Level 2 of the fair value hierarchy because they are valued primarily using quoted market prices, or alternative pricing sources and models utilizing market observable inputs with reasonable levels of price transparency. Autodesk's foreign currency derivative contracts are classified within Level 2 as the valuation inputs are based on quoted market prices of similar instruments in active markets. Autodesk's investments in auction rate securities are classified within Level 3 because they are valued using a pricing model and some of the inputs to this model are unobservable in the market.

	<u>Significant and Unobservable Inputs (Level 3)</u>
Balance at January 31, 2008	\$ 8.4
Unrealized loss included in other comprehensive income	(0.1)
Balance at April 30, 2008	<u>\$ 8.3</u>

Effective February 1, 2008, Autodesk also adopted Statement of Financial Accounting Standards No. 159 "The Fair Value Option for Financial Assets and Financial Liabilities—including an Amendment of Statement of Financial Accounting Standards No. 115" ("SFAS 159"), which allows an entity to choose to measure certain financial instruments and liabilities at fair value on a contract-by contract basis. Subsequent fair value measurement for the financial instruments and liabilities an entity chooses to measure will be recognized in earnings. As of April 30, 2008, Autodesk did not elect such option for its financial instruments and liabilities.

17. Subsequent Events

On May 1, 2008, Autodesk entered into an agreement to acquire Moldflow Corporation ("Moldflow") for \$22.00 per share, or approximately \$297.0 million cash, less Moldflow's cash balance at the time of closing and less proceeds from option exercises. Moldflow is a public company (NASDAQ: MFLO) that designs, develops, manufactures and markets computer software solutions for the design and engineering of injection-molded plastic parts. The acquisition is structured as a cash tender offer for all the outstanding shares of Moldflow common stock, followed by a merger of an Autodesk subsidiary into Moldflow whereupon Moldflow will continue as a wholly-owned subsidiary of Autodesk. For further information see Autodesk's Schedule TO filed with the Securities and Exchange Commission on May 2, 2008, as amended. This transaction is subject to customary closing conditions including regulatory approvals, and is expected to close in the second calendar quarter of 2008. Moldflow will be integrated into Autodesk's Manufacturing Solutions Segment.

Additionally, during May 2008, Autodesk completed three acquisitions for approximately \$63.9 million, net of cash acquired.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion in our MD&A contains trend analyses and other forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are any statements that look to future events and consist of, among other things, our business strategies, anticipated future operating results, including net revenue, product backlog, upgrade, crossgrade and maintenance revenue, the impact of acquisitions, the effect of fluctuations in exchange rates on net revenue and expenses, costs and expenses, including cost of revenue and operating expenses, future income, our anticipated tax rate, planned product retirement and annual release cycle. In addition, forward-looking statements also consist of statements involving expectations regarding product acceptance, continuation of our stock repurchase program, and short-term and long-term cash requirements, as well as, statements involving trend analyses and statements including such words as "may," "believe," "could," "anticipate," "would," "might," "plan," "expect," and similar expressions or the negative of these terms or other comparable terminology. These forward-looking statements speak only as of the date of this Form 10-Q and are subject to business and economic risks. As such, our actual results could differ materially from those set forth in the forward-looking statements as a result of the factors set forth below in Item 1A, "Risk Factors," and in our other reports filed with the U.S. Securities and Exchange Commission. We assume no obligation to update the forward-looking statements to reflect events that occur or circumstances that exist after the date on which they were made.

Strategy

Our goal is to be the world's leading 2D and 3D design software and services company for the architecture, engineering, construction, manufacturing, geospatial mapping and digital media markets. Our focus is to offer our customers the ability to visualize, simulate and analyze real-world performance early in the design process to foster innovation, enhance quality, and save time and money. Worldwide business trends such as globalization, sustainability, investment in infrastructure and the increasing desire to keep data digital are creating pressure on our customers to improve innovation while enhancing productivity. Our customers are seeking differentiation through design, and we believe our products and services provide a competitive advantage to succeed in this environment.

We believe that our ability to make technology available to mainstream markets is one of our competitive advantages. By innovating in existing technology categories, we bring powerful design products to volume markets. Our products are designed to be easy to learn and use, and to provide customers low cost of deployment, low total cost of ownership and a rapid return on investment. In addition, our software architecture allows for extensibility and integration.

We have created a large global community of distributors and resellers, third-party developers and customers. These relationships provide us with a broad reach into volume markets. Our reseller network is extensive and provides our customers with global resources for the purchase and support of our products as well as resources for effective and cost efficient training services. We have a significant number of registered third-party developers, creating products that operate with our software products, further extending our reach into volume markets. Users trained on our products are broadly available both from universities and the existing work force, reducing the cost of training for our customers. To train the next generation of users, we offer education programs, including classroom support, standardized curricula, instructor development, and specially priced software-purchasing options.

Our growth strategy derives from these core strengths. We continue to increase the business value of our design tools in a number of ways. We improve the performance and functionality of existing products with each new release. Our most recent release occurred in March 2008. Beyond our 2D horizontal design products, we develop products addressing industry-specific needs including 2D vertical and 3D model-based products. We continually strive to improve our product functionality and specialization by industry while increasing product interoperability and usability. By doing this, we drive technology democratization and increase customer loyalty.

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In addition, we believe that migration of our customers from our 2D horizontal products to our 2D vertical products and 3D model-based design products, presents a significant growth opportunity. During the first quarter of fiscal 2009, revenue from 3D model-based design products increased 37% as compared to the first quarter of fiscal 2008. We shipped approximately 35,000 commercial seats (which includes new seats and crossgrade seats) of 3D model-based design products, including approximately 11,500 seats of Autodesk Inventor and approximately 24,000 seats of our Architecture, Engineering and Construction products (Revit, AutoCAD Civil 3D and Autodesk NavisWorks). We expect that the adoption of 2D vertical products and 3D model-based design products will increase the productivity of our customers in all industries and result in richer design data. This migration also poses various risks to us. In particular, if we do not successfully convert our 2D horizontal customer base to our 2D vertical products and 3D model-based design products as expected, sales of our 2D horizontal products may decrease without a corresponding increase in customer seats of our 2D vertical products and 3D model-based design products, we would not realize the growth we expect and our business would be adversely affected.

Expanding our geographic coverage is a key element of our growth strategy. We believe that rapidly growing emerging economies present significant growth opportunities for us. Revenue in emerging economies increased 41% for the first quarter of fiscal 2009 compared to the first quarter of fiscal 2008. Revenue from emerging economies represented 17% of net revenue during the first quarter of fiscal 2009 as compared to 14% during the first quarter of fiscal 2008. While the opportunity in emerging markets remains large, conducting business in these emerging economies presents significant challenges, including intellectual property protection and software piracy, which remain substantial problems.

Critical Accounting Policies and Estimates

Our Condensed Consolidated Financial Statements are prepared in conformity with U.S. generally accepted accounting principles. In preparing our Condensed Consolidated Financial Statements, we make assumptions, judgments and estimates that can have a significant effect on amounts reported in our Condensed Consolidated Financial Statements. We base our assumptions, judgments and estimates on historical experience and various other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from these estimates under different assumptions or conditions. We regularly reevaluate our assumptions, judgments and estimates. We have described our significant accounting policies in Note 1, "Business and Summary of Significant Accounting Policies," in the Notes to Consolidated Financial Statements in our Form 10-K for the fiscal year ended January 31, 2008 (the "2008 Form 10-K"). In addition, we highlighted those policies that involve a higher degree of judgment and complexity with further discussion of these judgmental areas in Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2008 Form 10-K. We believe these are the policies that are the most critical to aid in fully understanding and evaluating our financial condition and results of operations. These policies remain consistent with what was previously disclosed. Please refer to Note 1, "Business and Summary of Significant Accounting Policies," in the Notes to Consolidated Financial Statements and Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2008 Form 10-K filed on March 28, 2008.

Updates on the relevant periodic financial disclosures related to these policies are provided below:

Product Returns Reserves. Our product returns reserves were \$16.3 million at April 30, 2008 and \$14.4 million at January 31, 2008. Product returns as a percentage of applicable revenue were 2.2% and 1.7% for the first quarter of fiscal 2009 and 2008, respectively. During the first quarter of fiscal 2009 and 2008, we recorded additions to our product returns reserve of \$11.4 million and \$6.0 million, respectively, which reduced our revenue.

Income Taxes. We currently have \$136.5 million of net deferred tax assets, mostly arising from tax credits, net operating losses, and timing differences for reserves, accrued liabilities, stock options, purchased technologies and capitalized software, offset by the establishment of U.S. deferred tax liabilities on unremitted

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earnings from certain foreign subsidiaries. We perform a quarterly assessment of the recoverability of these net deferred tax assets, which is principally dependent upon our achievement of projected future taxable income of approximately \$366.0 million across a specific mix of geographies. Our judgments regarding future profitability may change due to future market conditions and other factors. These changes, if any, may require possible material adjustments to these net deferred tax assets, resulting in a reduction in net income in the period when such determinations are made.

Overview of the Three Months Ended April 30, 2008

<i>(in millions)</i>	Three Months Ended <u>April 30, 2008</u>	As a % of Net <u>Revenue</u>	Three Months Ended <u>April 30, 2007</u>	As a % of Net <u>Revenue</u>
Net Revenue	\$ 598.8	100%	\$ 508.6	100%
Cost of revenue	57.8	10%	52.7	10%
Gross Profit	541.0	90%	455.9	90%
Operating expenses	421.1	70%	354.5	70%
Income from Operations	<u>\$ 119.9</u>	20%	<u>\$ 101.4</u>	20%

Our primary goals for fiscal 2009 are to continue our delivery of market-leading products and solutions to our customers, to drive revenue growth, and to invest in product functionality while minimizing the impact of these investments on gross profit, operating margins and operating cash flow. During the first quarter of fiscal 2009 we released our 2009 family of products, offering our customers continued advancements in design and authoring productivity as well as digital prototyping and product lifecycle management capabilities.

During the first quarter of fiscal 2009, as compared to the first quarter of fiscal 2008, net revenue increased 18%, gross profit increased 19%, income from operations increased 18%, and operating cash flow decreased 3%.

We generate a significant amount of our revenue in countries outside of the United States in currencies such as the euro, Japanese yen and British pound. The weaker value of the U.S. dollar relative to foreign currencies had a positive effect on the growth rates of our revenue and a negative effect on the growth rates of our expenses when compared to the prior year. Had exchange rates from the first quarter of fiscal 2008 been in effect during the first quarter of fiscal 2009 ("on a constant currency basis"), net revenue would have increased by 10% and income from operations would have decreased by 8%.

We recently announced the Company's intention to acquire Moldflow Corporation ("Moldflow"). Upon the closing of the acquisition of Moldflow, we expect to see further reduction in operating margins in the near term, with less of a negative impact on operating margins by the end of fiscal 2009. The remainder of this discussion does not include the impact of Moldflow on our consolidated financial position, results of operations or cash flows.

Net revenue for the first quarter of fiscal 2009 increased 18%, as compared to the first quarter of fiscal 2008, due to a 13% increase in license and other revenue and a 33% increase in maintenance revenue. Our maintenance revenue relates to a program known by our user community as the Subscription Program. Net revenue for our 2D products and 3D model-based design products increased 14% and 37%, respectively, during the first quarter of fiscal 2009 as compared to the same period in the prior fiscal year. A critical component of our growth strategy is to continue to add new 2D horizontal users, while migrating our customers to our higher value 2D vertical and 3D model-based design products. We experienced strong growth in net revenue in the developed and emerging economies of Europe, Middle East, Africa ("EMEA") and Asia Pacific ("APAC").

Our total operating margin was 20% of net revenue for the first quarter of fiscal 2009 and 2008. In the first quarter of fiscal 2009 stock-based compensation expense increased \$10.4 million as compared to the same period of the prior fiscal year due to the suspension of our employee stock compensation programs in relation to the

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voluntary review of our historical stock option grant practices during the first quarter of fiscal 2008. In addition, \$8.9 million was spent during the first quarter of fiscal 2009 on cost reduction initiatives including workforce reductions. These expense increases compared to the prior year were partially offset by a reduction in spending of \$12.0 million related to employee tax expenses recorded in the first quarter of fiscal 2008 for our voluntary review of historical stock option grant practices.

We continue to invest in growth and productivity initiatives and, over the longer term we intend to continue to balance investments in revenue growth opportunities with our goal of increasing our operating margins. Our operating margins are very sensitive to changes in revenue, given the relatively fixed nature of most of our expenses, which consist primarily of employee-related expenditures, facilities costs, and depreciation and amortization expense. For the remainder of fiscal 2009, we expect total costs and expenses to increase in absolute dollars, but decline slightly as a percentage of net revenue resulting in overall operating margin improvement as compared to fiscal 2008. We will continue to balance investments in revenue growth opportunities with our focus on increasing profitability.

We generate a significant amount of our revenue in the United States, Japan, Germany, the United Kingdom, France, Italy, South Korea, Russian Federation, Canada, and China. The weaker value of the U.S. dollar relative to foreign currencies had a positive effect of \$26.8 million on operating income in the first quarter of fiscal 2009 compared to the same period of the prior fiscal year. Had exchange rates from the first quarter of fiscal 2008 been in effect during the first quarter of fiscal 2009, translated international revenue billed in local currencies would have been \$40.8 million lower and operating expenses would have been \$14.0 million lower. Changes in the value of the U.S. dollar may have a significant effect on net revenue in future periods. We use foreign currency option collar contracts to reduce the current quarter exchange rate effect on the net revenue of certain anticipated transactions.

Throughout the first quarter of fiscal 2009, we maintained a strong balance sheet. We finished the first quarter of fiscal 2009 with \$950.3 million in cash and marketable securities, of which \$8.3 million is classified as long-term. This decrease from the \$957.7 million balance in cash and marketable securities at January 31, 2008 is principally the result of the repurchase of 8.0 million shares of our common stock in the first quarter of fiscal 2009. During the first quarter of fiscal 2008, we did not repurchase any shares of our common stock. We completed the first quarter of fiscal 2009 with a higher deferred revenue balance and lower accounts receivable balance as compared to January 31, 2008. Our deferred revenue balance at April 30, 2008 included \$473.6 million of customer maintenance contracts, which will be recognized as revenue ratably over the life of the contracts, which is predominantly one year.

[Table of Contents](#)**Results of Operations***Net Revenue*

<i>(in millions)</i>	Three Months Ended April 30, 2008	Increase compared to prior period		Three Months Ended April 30, 2007
		\$	%	
Net Revenue:				
License and other	\$ 432.2	\$ 49.0	13%	\$ 383.2
Maintenance	166.6	41.2	33%	125.4
	<u>\$ 598.8</u>	<u>\$ 90.2</u>	18%	<u>\$ 508.6</u>
Net Revenue by Geographic Area:				
Americas	\$ 191.4	\$ 7.0	4%	\$ 184.4
Europe, Middle East and Africa	259.0	52.1	25%	206.9
Asia Pacific	148.4	31.1	27%	117.3
	<u>\$ 598.8</u>	<u>\$ 90.2</u>	18%	<u>\$ 508.6</u>
Net Revenue by Operating Segment:				
Platform Solutions and Emerging Business and Other	\$ 278.0	26.6	11%	\$ 251.40
Architecture, Engineering and Construction	129.1	29.3	29%	99.8
Manufacturing Solutions	119.1	24.7	26%	94.4
Media and Entertainment	67.3	8.1	14%	59.2
Other	5.3	1.5	39%	3.8
	<u>\$ 598.8</u>	<u>\$ 90.2</u>	18%	<u>\$ 508.6</u>

License and Other Revenue

License and other revenue are comprised of two components: all forms of product license revenue and other revenue. Product license revenue includes revenue from the sales of new seats, revenue from the Autodesk Upgrade Program and revenue from the Autodesk Crossgrade Program. Other revenue consist of revenue from consulting and training services, revenue from the Autodesk Developers Network, Autodesk Collaborative Solution hosting revenue, Autodesk's Location Services Division and revenue from Advanced Systems product support.

Total license and other revenue increased 13% during the first quarter of fiscal 2009, as compared to the same period of the prior fiscal year. This growth was primarily due to a 24% increase in commercial new seat revenue from our 2D products and 3D model-based design products. This 24% increase was largely driven by the release of our 2009 family of products. Approximately 16% points of the 24% increase was due to higher average prices per seat, and approximately 8% points of the 24% increase was due to increases in the number of seats sold. As a percentage of total net revenue, license and other revenue was 72% for the first quarter of fiscal 2009 and 75% for the first quarter of fiscal 2008.

Upgrade revenue, which includes crossgrade revenue, decreased by 14% during the first quarter of fiscal 2009, as compared to the same period of the prior fiscal year, as expected. The decrease in upgrade revenue was driven primarily from the relatively smaller size of the upgradeable base of our AutoCAD-based products as compared to the upgradeable base of our AutoCAD-based products as of the same period in the prior fiscal year, due to more customers on our maintenance program. We expect revenue from upgrades to continue to decline as we continue to move customers onto our maintenance program.

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We rely significantly upon major distributors and resellers in both the U.S. and international regions, including Tech Data Corporation and its global affiliates (“Tech Data”). Tech Data accounted for 17% and 15% of our consolidated net revenue for the first quarter of fiscal 2009 and 2008, respectively.

Revenue from the sales of our services, training and support, included in “License and other,” are immaterial, representing less than 4% of net revenue for all periods presented.

Maintenance Revenue

Under our maintenance program, customers are eligible to receive unspecified upgrades when-and-if-available, downloadable training courses and online support. We recognize maintenance revenue ratably over the maintenance contract periods. Maintenance revenue increased 33% for the first quarter of fiscal 2009 as compared to the same period of the prior fiscal year. Approximately 24% points of the 33% increase was due to increases in program enrollment and approximately 9% points of the 33% increase was due to higher net revenue per maintenance seat. As a percentage of total net revenue, maintenance revenue was 28% for the first quarter of fiscal 2009 and 25% for the first quarter of fiscal 2008. Our maintenance program, available to most customers worldwide, continues to attract new and renewal customers by providing them with a cost effective and predictable budgetary option to obtain the productivity benefits of our new releases and enhancements. We expect maintenance revenue to continue to increase both in absolute dollars and as a percentage of total net revenue as a result of increased program enrollment, which is now at nearly 1.6 million users; however, we expect these growth rates to be lower than in the past.

Aggregate backlog at April 30, 2008 and January 31, 2008 was \$567.5 million and \$521.5 million, respectively, of which \$549.7 million and \$506.1 million, respectively, represented deferred revenue and \$17.8 million and \$15.4 million, respectively, related to current software license product orders which had not yet shipped at the end of each respective period. Deferred revenue consists primarily of deferred maintenance revenue. To a lesser extent, deferred revenue consists of deferred license and other revenue derived from Autodesk Buzzsaw and Autodesk Constructware services, consulting services and deferred license sales. Backlog from current software license product orders which we have not yet shipped consists of orders for currently available licensed software products from customers with approved credit status and may include orders with current ship dates and orders with ship dates beyond the current fiscal period.

Net Revenue by Geographic Area

Net revenue in the Americas region increased by 4% during the first quarter of fiscal 2009, as compared to the first quarter of fiscal 2008, primarily due to an 11% increase in maintenance revenue and an 8% increase in revenue from new seats. These increases were partially offset by a 24% decrease in revenue from upgrades in the Americas. Growth in the Americas was also affected by a slowing economy that impacted growth rates for all of our products in the first quarter of fiscal 2009.

Net revenue in EMEA increased by 25%, or 11% increase on a constant currency basis, during the first quarter of fiscal 2009, as compared to the same period of the prior fiscal year, primarily due to a 32% increase in new seat revenue and a 54% increase in maintenance revenue. These increases were partially offset by a 15% decrease in revenue from upgrades. EMEA’s growth during the current fiscal quarter was primarily due to growth in the local emerging economies, as well as in France, Italy, Belgium, and Spain. The positive effect of the weaker value of the U.S. dollar relative to the euro and the British pound also contributed to the increase in net revenue in EMEA. Had exchange rates from the first quarter of fiscal 2008 been in effect during the first quarter of fiscal 2009, translated net revenue in EMEA would have been \$30.2 million lower.

Net revenue in APAC increased by 27%, or 18% increase on a constant currency basis, during the first quarter of fiscal 2009, as compared to the same period of the prior fiscal year, primarily from a 23% increase in

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new seat revenue, a 48% increase in revenue from upgrades and a 27% increase in maintenance revenue. Net revenue growth in APAC during the first quarter of fiscal 2009 occurred primarily in Japan, the APAC emerging economies, as well as in South Korea and Australia. Had exchange rates from the first quarter of fiscal 2008 been in effect during the first quarter of fiscal 2009, translated net revenue in APAC would have been \$10.1 million lower.

We believe that international net revenue will continue to comprise a majority of our total net revenue. Economic weakness in any of the countries that contributes a significant portion of our net revenue could have an adverse effect on our business in those countries. Changes in the value of the U.S. dollar relative to foreign currencies could significantly affect our future financial results for a given period. International net revenue represented 73% of our net revenue in the first quarter of fiscal 2009 and 69% of our net revenue in the same period of the prior fiscal year. Net revenue in emerging economies grew by 41% between the first quarter of fiscal 2008 and the first quarter of fiscal 2009, primarily due to revenue from the EMEA emerging economies and APAC emerging economies. This growth was a significant factor in our international sales growth during the first quarter of fiscal 2009.

Net Revenue by Operating Segment

During fiscal 2008, we had two reportable segments, the Design Solutions Segment and the Media and Entertainment Segment. Periodically, our chief decision making officer (our Chief Executive Officer) evaluates the performance of our operating segments and implements organizational changes accordingly. In fiscal 2009, changes to our internal sales organization, as well as an increased focus on specialized vertical distribution channels, has affected how management views the operations of the business. Consequently, effective February 1, 2008, we began reporting in four reportable segments: Platform Solutions and Emerging Business and Other (“PSEB”), Architecture, Engineering and Construction (“AEC”), Manufacturing Solutions (“MSD”) and Media and Entertainment (“M&E”). Location Services, which is not included in any of the above reportable segments, continues to be reflected as Other. Prior periods have been conformed to the current period presentation. Autodesk has no material inter-segment revenue.

Net revenue for the PSEB Segment increased 11% during the first quarter of fiscal 2009, as compared to the first quarter of fiscal 2008, primarily due to a 28% increase revenue from AutoCAD LT. Revenue from AutoCAD increased 3% over the same period in the prior fiscal year.

Net revenue for the AEC Segment increased 29% during the first quarter of fiscal 2009, as compared to the first quarter of fiscal 2008, primarily due to a 61% increase in revenue from Revit and an 11% increase in revenue from AutoCAD Civil 3D. Also contributing the increase in AEC’s net revenue was revenue from Autodesk NavisWorks products.

Net revenue for the MSD Segment increased 26% during the first quarter of fiscal 2009, as compared to the first quarter of fiscal 2008, primarily due to a 25% increase in revenue from Autodesk Inventor products, a 28% increase in revenue from AutoCAD Mechanical and a 55% increase in revenue from AutoCAD Electrical.

Net revenue for the M&E Segment increased 14% during the first quarter of fiscal 2009, as compared to the same period of the prior fiscal year primarily due to the 25% increase in net revenue from our Animation business line. This increase was primarily due to a 44% increase in revenue from Autodesk 3ds Max. Net revenue growth from Advanced Systems was relatively flat as compared to the same period in the prior fiscal year.

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Cost of Revenue

(in millions)	Three Months Ended April 30, 2008	Increase (decrease) compared to prior period		Three Months Ended April 30, 2007
		\$	%	
Cost of revenue:				
License and other	\$ 55.8	\$ 5.3	10%	\$ 50.5
Maintenance	2.0	(0.2)	-9%	2.2
	<u>\$ 57.8</u>	<u>\$ 5.1</u>	10%	<u>\$ 52.7</u>
As a percentage of net revenue	10%			10%

Cost of license and other revenue includes direct material and overhead charges, labor costs of fulfilling service contracts and order processing, royalties, amortization of purchased technology and SFAS 123R stock-based compensation expense. Direct material and overhead charges include the cost of hardware sold (mainly PC-based workstations for Advanced Systems in the Media and Entertainment Segment), costs associated with transferring our software to electronic media, printing of user manuals and packaging materials and shipping and handling costs.

Cost of license and other revenue increased 10% during the first quarter of fiscal 2009, as compared to the first quarter of fiscal 2008 due to the 13% increase in revenue. Cost of license and other revenue remained relatively consistent as a percentage of net revenue from first quarter of fiscal 2009, compared to the same period of the prior fiscal year.

Cost of maintenance revenue includes cost of sales associated with our maintenance program. Cost of maintenance revenue remained relatively consistent in both dollars and as a percentage of net revenue during the first quarter of fiscal 2009, as compared to the first quarter of fiscal 2008.

Cost of revenue, at least over the near term, is affected by the volume and mix of product sales, changing consulting costs, software amortization costs, royalty rates for licensed technology embedded in our products, new customer support offerings and the effect of expensing employee stock-based compensation expense. We expect cost of revenue to increase in absolute dollars, but decrease slightly as a percentage of net revenue during the remainder of fiscal 2009 as compared to fiscal 2008.

Marketing and Sales

(in millions)	Three Months Ended April 30, 2008	Increase compared to prior period		Three Months Ended April 30, 2007
		\$	%	
Marketing and sales	\$ 223.9	\$31.4	16%	\$ 192.5
As a percentage of net revenue	37%			38%

Marketing and sales expenses include salaries, benefits and bonuses for our marketing and sales employees and costs of programs aimed at increasing revenue, such as advertising, trade shows and expositions, and various sales and promotional programs. These expenses also include sales and dealer commissions, travel and facility costs for our marketing, sales, dealer training and support personnel, labor costs of fulfilling order processing, SFAS 123R stock-based compensation expense for stock awards granted to marketing and sales employees, and overhead charges.

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Marketing and sales expense increased 16% during the first quarter of fiscal 2009, as compared to the first quarter of fiscal 2008, primarily due to \$27.7 million of higher employee-related costs driven by increased marketing and sales headcount. We expect to continue to invest in marketing and sales of our products to develop market opportunities, to promote our competitive position and to strengthen our channel support, but at a slower pace. As a result, we expect marketing and sales expenses to increase in absolute dollars, but decrease slightly as a percentage of net revenue, during the remainder of fiscal 2009, as compared to fiscal 2008.

Research and Development

<i>(in millions)</i>	Three Months Ended April 30, 2008	Increase compared to prior period		Three Months Ended April 30, 2007
		\$	%	
Research and development	\$ 143.7	\$29.0	25%	\$ 114.7
As a percentage of net revenue	24%			23%

Research and development expenses, which are expensed as incurred, consist primarily of salaries, benefits, and bonuses for software engineers, fees paid to software development firms and independent contractors, overhead charges, and SFAS 123R stock-based compensation expense for stock awards granted to research and development employees.

Research and development expenses increased 25% during the first quarter of fiscal 2009, as compared to the first quarter of fiscal 2008, primarily due to an increase in employee related costs of \$22.7 million driven by increased research and development headcount. During the first quarter of fiscal 2008, we incurred approximately \$12.5 million for consulting services and in-process technology purchases from Hanna Strategies Holdings, Inc. ("Hanna Strategies"). The cost of the in-process technology acquired from Hanna Strategies was immediately recognized as an expense because the technology had not yet reached technological feasibility and had no alternative future use. We had a 28% ownership in Hanna Strategies until the fourth quarter of fiscal 2008 when we acquired the remaining 72% ownership in Hanna Strategies.

Overall, we have increased our investment in research and development in the first quarter of fiscal 2009 as compared to the same period of the prior fiscal year to create new products and new versions of existing products, broader interoperability, accelerated localization efforts and improvements in visualization, simulation and analysis. We expect research and development expense to increase in absolute dollars, but remain relatively consistent as a percentage of net revenue, during the remainder of fiscal 2009, as compared to fiscal 2008, as we continue to invest in product development and continue to acquire new technology.

General and Administrative

<i>(in millions)</i>	Three Months Ended April 30, 2008	Increase compared to prior period		Three Months Ended April 30, 2007
		\$	%	
General and administrative	\$ 53.5	\$6.2	13%	\$ 47.3
As a percentage of net revenue	9%			9%

General and administrative expenses include salaries, benefits, and bonuses for our finance, human resources and legal personnel, as well as, professional fees for legal and accounting services, SFAS 123R stock-based compensation expense for stock awards granted to general and administrative employees, and amortization expense of customer relationships and trademarks acquired.

The 13% increase in general and administrative expenses during the first quarter of fiscal 2009, as compared to the first quarter of fiscal 2008, was primarily due to an increase in employee related costs of \$12.4 million due to

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increased general and administrative headcount. This increase was partially offset by a \$4.7 million decrease in litigation expenses. We expect that general and administrative expenses will increase in absolute dollars, but remain relatively consistent as a percentage of net revenue during the remainder of fiscal 2009, as compared to fiscal 2008.

Interest and Other Income, Net

The following table sets forth the components of interest and other income, net:

<i>(in millions)</i>	Three Months Ended April 30,	
	2008	2007
Interest and investment income, net	\$ 6.8	\$ 9.0
Loss from unconsolidated subsidiary	—	(1.1)
Gain on foreign currency transactions	0.2	1.2
Other income (expense)	(0.1)	0.7
	<u>\$ 6.9</u>	<u>\$ 9.8</u>

Investment income fluctuates based on average cash and marketable securities balances, average maturities and interest rates. The decrease in interest and other income, net, during the first quarter of fiscal 2009, as compared to the same period in the prior fiscal year, is primarily due to lower interest rate yields.

The decrease in interest and other income, net for the first quarter of fiscal 2009 was partially offset by a decrease in the loss from unconsolidated subsidiary. During the first quarter of fiscal 2008, our 28% ownership interest in Hanna Strategies, accounted for under Accounting Principles Board Opinion No. 18, "The Equity Method of Accounting for Investments in Common Stock," resulted in a loss from unconsolidated subsidiary. We acquired the remaining 72% of Hanna Strategies on January 2, 2008.

Provision for Income Taxes

Our effective tax rate was 25% during the first quarter of fiscal 2009 and 2008. The effective tax rate for the first quarter of fiscal 2009 is less than the Federal statutory tax rate of 35% primarily due to lower-taxed foreign income and state research tax credits offset by the impact of SFAS 123R.

Our future effective tax rate may be materially impacted by the amount of benefits associated with our foreign earnings which are taxed at rates different from the Federal statutory rate, research credits, SFAS 123R, FIN 48, the U.S. Manufacturer's deduction, closure of statute of limitations or settlement of tax audits, and changes in tax law.

At April 30, 2008, we had net deferred tax assets of \$136.5 million. Realization of these assets is dependent on our ability to generate approximately \$336.0 million of future taxable income in appropriate tax jurisdictions. We believe that sufficient income will be earned in the future to realize these assets.

Liquidity and Capital Resources

Our primary source of cash is from the sale of our products. Our primary use of cash is payment of our operating costs which consist primarily of employee-related expenses, such as compensation and benefits, as well as general operating expenses for marketing, facilities and overhead costs. In addition to operating expenses, we also use cash to fund our stock repurchase program and to invest in our growth initiatives, which include business acquisitions. See further discussion of these items below.

At April 30, 2008, our principal sources of liquidity were cash, cash equivalents and short-term marketable securities totaling \$942.0 million and net accounts receivable of \$333.5 million. In addition, we also have available a U.S. line of credit facility that permits unsecured short-term borrowings of up to \$250.0 million, and is available for working capital or other business needs. The credit agreement contains customary covenants which could

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restrict liens, certain types of additional debt and dispositions of assets if Autodesk fails to maintain its financial covenants. This facility expires in August 2012 and there was \$40.0 million outstanding at April 30, 2008. We drew on this line during the first quarter of fiscal 2009 because of a temporary difference between cash needs and cash availability in the United States; we principally used the facility to fund the 8.0 million share repurchase.

At April 30, 2008, our investment portfolio included two auction rate securities with an estimated fair value of \$8.3 million (\$9.0 million cost basis). Our auction rate securities are variable rate debt instruments that have underlying securities with contractual maturities greater than ten years and interest rates that are reset at auction every 28 days. These AAA-rated auction rate securities, which met our investment guidelines at the time the investments were made, have failed to settle in auctions since August 2007. The failed auctions resulted in the interest rate on these investments resetting at Libor plus 125 basis points, which represents a premium interest rate on these investments. At this time, these investments are not currently liquid, and in the event we need to access these funds, we will not be able to do so without a loss of principal unless a future auction on these investments is successful. Currently, we believe these investments are temporarily impaired, but it is not clear in what period of time they will be settled. Based on our ability to access our cash and other short-term investments, our expected operating cash flows and our other sources of cash, we have the intention and ability to hold the securities until the value recovers or to maturity. Due to the lack of liquidity of these investments, they are included in "Marketable securities-non-current." We will continue to evaluate our accounting for these investments on a quarterly basis. See Note 16, "Financial Instruments," for further discussion of our financial instruments.

Net cash flows provided by operating activities decreased \$6.3 million to \$185.3 million during the first quarter of fiscal 2009, as compared to the same period in the prior fiscal year. The decrease was primarily due to larger payments in the first quarter of fiscal 2009 for accrued fiscal 2008 bonuses and fourth quarter fiscal 2008 commissions, partially offset by increased collections of accounts receivable and higher net income.

As of April 30, 2008, other than the draw on the line of credit discussed above, there have been no material changes in our contractual obligations or commercial commitments compared to those we disclosed in Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the fiscal year ended January 31, 2008. Long-term cash requirements for items other than normal operating expenses are anticipated for the following: stock repurchases; the acquisition of businesses, software products, or technologies complementary to our business; and capital expenditures, including the purchase and implementation of internal-use software applications. In the event that the proposed acquisition of Moldflow closes, we expect to obtain the necessary funds to pay the offer price from our existing cash balances and borrowings under our existing revolving credit facility. See Note 17, "Subsequent Events," in the Notes to Condensed Consolidated Financial Statements for further discussion. In addition, \$29.0 million of our marketable securities are held in a rabbi trust under non-qualified deferred compensation plans at April 30, 2008. See Note 6, "Deferred Compensation," in the Notes to Condensed Consolidated Financial Statements for further discussion.

Our international operations are subject to currency fluctuations. To minimize the effect of these fluctuations, we use foreign currency option contracts to hedge our exposure on anticipated transactions and forward contracts to hedge our exposure on firm commitments, primarily certain receivables and payables denominated in foreign currencies. Our foreign currency instruments, by policy, have maturities of less than three months and settle before the end of each quarterly period. The principal currencies hedged during the first quarter of fiscal 2009 were the euro, British pound, Japanese yen, Swiss franc and Canadian dollar. We monitor our foreign exchange exposures to ensure the overall effectiveness of our foreign currency hedge positions.

Issuer Purchases of Equity Securities

The purpose of Autodesk's stock repurchase program is to help offset the dilution to net income per share caused by the issuance of stock under our employee stock plans and has the effect of returning excess cash generated from our business to shareholders. The number of shares acquired and the timing of the purchases are based on several factors, including general market conditions, the volume of employee stock option exercises, the

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trading price of Autodesk common stock, cash on hand and available in the United States, and company defined trading windows. At April 30, 2008, 16.1 million shares remained available for repurchase under the existing repurchase authorization. See Note 12, "Stock Repurchase Program," in the Notes to Condensed Consolidated Financial Statements for further discussion.

The following table provides information about the repurchase of our common stock during the first quarter of fiscal 2009:

<i>(Shares in thousands)</i>	<u>Total Number of Shares Purchased</u>	<u>Average Price Paid per Share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</u>	<u>Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs</u>
February 1 - February 29	500	\$ 31.49	500	23,636
March 1 - March 31	7,501	32.10	7,501	16,135
April 1 - April 30	—	—	—	—
Total	8,001	\$ 32.06	8,001 ⁽¹⁾	16,135 ⁽²⁾

(1) Represents shares purchased in open-market transactions under the stock repurchase plans approved by the Board of Directors in December 2004 and December 2007.

(2) This amount corresponds to a plan approved by the Board of Directors in December 2007, which authorized the repurchase of 20.0 million shares. This plan does not have a fixed expiration date.

Off-Balance Sheet Arrangements

Other than operating leases, we do not engage in off-balance sheet financing arrangements or have any variable-interest entities. As of April 30, 2008 we did not have any off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of SEC Regulation S-K.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have no material changes to the disclosure on this matter made in Item 7A. of our report on Form 10-K for the fiscal year ended January 31, 2008.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management evaluated, with the participation of our Chief Executive Officer and our Chief Financial Officer, the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that our disclosure controls and procedures are effective at the reasonable assurance level to ensure that information we are required to disclose in reports that we file or submit under the Securities Exchange Act of 1934 (i) is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and (ii) is accumulated and communicated to Autodesk's management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. Our disclosure controls and procedures are designed to provide reasonable assurance that such information is accumulated and communicated to our management.

Our disclosure controls and procedures include components of our internal control over financial reporting. Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to

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their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within Autodesk have been detected.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal controls over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during the quarter ended April 30, 2008 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information with respect to this Item may be found in Note 11, “Commitments and Contingencies,” of the Notes to Condensed Consolidated Financial Statements in this Form 10-Q, which information is incorporated into this Item by reference.

ITEM 1A. RISK FACTORS

We operate in a rapidly changing environment that involves a number of risks, many of which are beyond our control. In addition to the other information contained in this Form 10-Q, the following discussion highlights some of these risks and the possible impact of these factors on future results of operations. If any of the following risks actually occur, our business, financial condition or results of operations may be adversely impacted, causing the trading price of our common stock to decline. In addition, these risks and uncertainties may impact the “forward-looking” statements described elsewhere in this Form 10-Q and in the documents incorporated herein by reference. They could affect our actual results of operations, causing them to differ materially from those expressed in “forward-looking” statements.

General economic conditions may affect our net revenue and harm our business.

As our business has expanded globally, we have become increasingly subject to the risks arising from adverse changes in domestic and global economic and political conditions. Economic growth in the United States continued to slow in the first quarter of fiscal 2009. If economic growth in the United States continues to slow, or if other countries’ economies slow, many customers may delay or reduce technology purchases. This could result in reductions in sales of our products, longer sales cycles, slower adoption of new technologies and increased price competition. In addition, weakness in the end-user market could negatively affect the cash flow of our distributors and resellers who could, in turn, delay paying their obligations to us, which would increase our credit risk exposure and cause delays in our recognition of revenue on future sales to these customers. Any of these events would likely harm our business, results of operations and financial condition.

We are exposed to fluctuations in currency exchange rates that could negatively impact our financial results and cash flows.

Because we conduct a substantial portion of our business outside the United States, we face exposure to adverse movements in foreign currency exchange rates. These exposures may change over time as business practices evolve and economic conditions change, and they could have a material adverse impact on our financial results and cash flows.

We use derivative instruments to manage a portion of our earnings exposure and cash flow exposure to fluctuations in foreign currency exchange rates. As part of our risk management strategy, we use foreign currency forward and option contracts to manage a portion of our exposures of underlying assets, liabilities and other obligations, which exist as part of our ongoing business operations. These foreign currency instruments have maturities of less than three months. These instruments provide us with some protection against currency exposures for only the current quarter.

Recently, we have benefited from the U.S. dollar’s weakness against other currencies, since such depreciation has contributed to the revenue we report. Significant appreciation of the U.S. dollar against foreign currencies may adversely impact our future net revenue. During the first quarter of fiscal 2009, the U.S. dollar continued to be weak as compared to foreign currencies, adding to our revenue; if the U.S. dollar were to strengthen, our future net revenue could be harmed.

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Our efforts to develop and introduce new product and service offerings expose us to risks such as limited customer acceptance, costs related to product defects and large expenditures that may not result in additional net revenue.

Rapid technological changes, as well as changes in customer requirements and preferences, characterize the software industry. We are devoting significant resources to the development of technologies, like our vertical design products and our digital prototyping and collaboration products. In addition, we are introducing new business models that require a considerable investment of technical and financial resources. Such investments may not result in sufficient revenue generation to justify their costs, or competitors may introduce new products and services that achieve acceptance among our current customers, adversely affecting our competitive position. In particular, a critical component of our growth strategy is to convert our customers of AutoCAD and AutoCAD LT to related vertical industry products and to our 3D model-based design products such as the Autodesk Inventor products, the Revit products, AutoCAD Civil 3D and Autodesk NavisWorks products. Should sales of AutoCAD, AutoCAD upgrades and AutoCAD LT products decrease without a corresponding conversion of customer seats to our 2D vertical products and 3D model-based design products, our results of operations will be adversely affected.

Additionally, the software products we offer are complex, and despite extensive testing and quality control, may contain errors or defects. These defects or errors could result in the need for corrective releases to our software products, damage to our reputation, loss of revenue, an increase in product returns or lack of market acceptance of our products, any of which would likely harm our business.

Net revenue or earnings shortfalls or the volatility of the market generally may cause the market price of our stock to decline.

The market price for our common stock has experienced significant fluctuations and may continue to fluctuate significantly. The market price for our common stock may be affected by a number of factors, including shortfalls in our net revenue, earnings or key performance metrics; changes in estimates or recommendations by securities analysts; the announcement of new products or product enhancements by us or our competitors; quarterly variations in our or our competitors' results of operations; developments in our industry; unusual events such as significant acquisitions, divestitures and litigation; and general socio-economic, political or market conditions and other factors, including factors unrelated to our operating performance, like the current credit issues affecting the economy or the operating performance of our competitors.

In addition, significant changes in the price of our common stock could expose the Company to additional costly and time-consuming litigation. Historically, after periods of volatility in the market price of a company's securities, a company becomes more susceptible to securities class action litigation. This type of litigation is often expensive and diverts management's attention and resources.

Our operating results fluctuate within each quarter and from quarter to quarter making our future revenue and operating results difficult to predict.

Our quarterly operating results have fluctuated in the past and may do so in the future. These fluctuations could cause our stock price to change significantly or experience declines. Some of the factors that could cause our operating results to fluctuate include the timing of the introduction of new products by us or our competitors, slowing of momentum in upgrade or maintenance revenue, stock-based compensation expense, fluctuations in foreign currency exchange rates, failure to achieve anticipated levels of customer acceptance of key new applications, failure to follow sales policies, unexpected costs or other operating expenses, changes in product pricing or product mix, platform changes, failure to convert our 2D customer base to 3D model-based design products, timing of product releases and retirements, failure to continue momentum of frequent release cycles or to move a significant number of customers from prior product versions in connection with our programs to retire major products, unexpected outcomes of matters relating to litigation, failure to achieve continued cost reductions and productivity increases, unanticipated changes in tax rates and tax laws, distribution channel

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management, changes in sales compensation practices, the timing of large Advanced Systems sales, failure to effectively implement our copyright legalization programs, especially in developing countries, failure to successfully integrate acquired businesses and technologies, failure to achieve sufficient sell-through in our channels for new or existing products, the financial and business condition of our reseller and distribution channels, renegotiation or termination of royalty or intellectual property arrangements, interruptions or terminations in the business of our consultants or third party developers, failure to grow lifecycle management or collaboration products, unanticipated impact of accounting for technology acquisitions and general economic conditions, particularly in countries where we derive a significant portion of our net revenue.

We have also experienced fluctuations in operating results in interim periods in certain geographic regions due to seasonality or regional economic conditions. In particular, our operating results in Europe during the third quarter are usually affected by a slow summer period, and the Asia Pacific operations typically experience seasonal slowing in the third and fourth quarters.

Our operating expenses are based in part on our expectations for future revenue and are relatively fixed in the short term. Accordingly, any revenue shortfall below expectations could have an immediate and significant adverse effect on our profitability. Greater than anticipated expenses or a failure to maintain rigorous cost controls would also negatively affect profitability. Further, gross margins may be adversely affected if our sales of AutoCAD LT, upgrades and Advanced Systems products, which historically have had lower margins, grow at a faster rate than sales of our higher-margin products.

Because we derive a substantial portion of our net revenue from AutoCAD-based software products, if these products are not successful, our net revenue will be adversely affected.

We derive a substantial portion of our net revenue from sales of licenses of AutoCAD software, including products based on AutoCAD that serve specific vertical markets, upgrades to those products and products that are interoperable with AutoCAD. As such, any factor adversely affecting sales of these products, including the product release cycle, market acceptance, product competition, performance and reliability, reputation, price competition, economic and market conditions and the availability of third-party applications, would likely harm our operating results.

Our international operations expose us to significant regulatory, intellectual property, collections, currency exchange rate, taxation and other risks, which could adversely impact our future net revenue and increase our net expenses.

We anticipate that international operations will continue to account for a significant portion of our net revenue, and as we expand our international development expertise, will provide significant support to our overall development efforts. Risks inherent in our international operations include fluctuating currency exchange rates, unexpected changes in regulatory practices and tariffs, difficulties in staffing and managing foreign sales and development operations, longer collection cycles for accounts receivable, potential changes in tax laws, tax arrangements with foreign governments and laws regarding the management of data, possible future limitations upon foreign owned businesses, and greater difficulty in protecting intellectual property.

Our international results will also continue to be impacted by general economic and political conditions in foreign markets generally, including conditions in foreign markets resulting from economic and political conditions in the United States. These factors may adversely impact our future international operations and consequently our business as a whole.

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Our business could suffer as a result of risks associated with strategic acquisitions and investments such as the recent announcement of our intent to acquire Moldflow Corporation (“Moldflow”).

We periodically acquire or invest in businesses, software products and technologies that are complementary to our business through strategic alliances, equity investments or acquisitions. For example, we recently announced our intent to acquire Moldflow. The risks associated with such acquisitions include, among others, the difficulty of assimilating the products, operations and personnel of the companies, the failure to realize anticipated revenue and cost projections, the requirement to test and assimilate the internal control processes of the acquired business in accordance with the requirements of Section 404, and the diversion of management’s time and attention. In addition, such acquisitions and investments may involve significant transaction or integration-related costs. We may not be successful in overcoming such risks, and such acquisitions and investments may negatively impact our business. In addition, such acquisitions and investments have in the past and may in the future contribute to potential fluctuations in quarterly results of operations. The fluctuations could arise from transaction-related costs and charges associated with eliminating redundant expenses or write-offs of impaired assets recorded in connection with acquisitions and investments. We also may need to make further investments to support these acquired companies and may have difficulty identifying and acquiring appropriate resources. These costs or charges could negatively impact results of operations for a given period or cause quarter to quarter variability in our operating results.

We cannot accurately predict customer maintenance attach and renewal rates and the impact these attach and renewal rates will have on our future revenue or operating results.

Our maintenance customers have no obligation to attach maintenance to their initial license or renew their maintenance contract after the expiration of their initial maintenance period, which is typically one year. Our customers’ attachment and renewal rates may decline or fluctuate as a result of a number of factors. If our customers do not attach maintenance to their initial license or renew their maintenance contract for our products, then our maintenance revenue will decline and our business will suffer.

Our investment portfolio is composed of a variety of investment vehicles in a number of countries that are subject to interest rate trends, market volatility and other economic factors. If general economic conditions create a decline in interest rates, deterioration in the credit rating of our investments, or illiquidity in the financial marketplace, we may experience a decline in interest income, an inability to sell our investments, or an impairment in the value of our investments.

We invest our cash, cash equivalents and marketable securities with and in the custody of financial institutions with high credit ratings and limit the amounts invested with any one institution, type of security and issuer. However, we are subject to general economic conditions, interest rate trends and volatility in the financial marketplace that can affect the income that we receive from our investments, the value of our investments, and our ability to sell them. In the United States, for example, if the Federal Reserve lowers interest rates, the yields on our portfolio securities may decline. Any one of these factors could reduce our interest income, which in turn could impact our overall net income and earnings per share.

At April 30, 2008, we had auction rate securities with an estimated fair value of \$8.3 million (\$9.0 million cost basis) included in non-current “Marketable securities” due to their lack of liquidity. These AAA-rated auction rate securities, which met our investment guidelines at the time the investments were made, have failed to settle at monthly auctions since August 2007. The failed auctions resulted in the interest rate on these investments resetting at a premium as a result of a lack of liquidity for the underlying investment. We determined that these securities are temporarily impaired because the securities are fully insured, we earn a premium interest rate on the investments, the duration of the auction failures are believed to be a temporary market condition, and we have the intention and ability to hold the securities until the market value can be realized. However, in the future, if these issuers are unable to successfully close future auctions and their credit deteriorates, we may be required to adjust the carrying value of the investment through an impairment charge.

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If we do not maintain our relationships with the members of our distribution channel, or achieve anticipated levels of sell-through, our ability to generate net revenue will be adversely affected.

We sell our software products both directly to customers and through a network of distributors and resellers. Our ability to effectively distribute our products depends in part upon the financial and business condition of our reseller network. Computer software distributors and resellers typically are not highly capitalized and have previously experienced difficulties during times of economic contraction and may do so in the future. While we have processes to ensure that we assess the creditworthiness of dealers and distributors prior to our sales to them, if their financial condition were to deteriorate, they might not be able to make repeat purchases. We rely significantly upon major distributors and resellers in both the United States and international regions, including distributor Tech Data Corporation and their global affiliates (“Tech Data”). Tech Data accounted for 17% of our consolidated net revenue for the first quarter of fiscal 2009 and 14% of our consolidated net revenue for fiscal 2008. Over time, we have modified and will continue to modify aspects of our relationship with our resellers, such as their incentive programs, pricing to them and our distribution model to motivate and reward them for aligning their businesses with our strategy and business objectives. Changes in these relationships and underlying programs could negatively impact their business and harm our business. In addition, the loss of or a significant reduction in business with those distributors or resellers or the failure to achieve anticipated levels of sell-through with any one of our major international distributors or large resellers could harm our business. In particular, if one or more of such resellers were unable to meet their obligations with respect to accounts payable to us, we could be forced to write off such accounts and may be required to delay the recognition of revenue on future sales to these customers, which could have a material adverse effect on our results of operations in a given period.

Incentives under our Partner Incentive Program and product returns could exceed our estimates and harm our net revenue.

We provide our channel partners incentives through our Partner Incentive Program. This is a short-term plan that uses monetary rewards to motivate distributors and resellers to achieve business goals in a specified time period. The majority of these goals are defined by quarterly targets. The majority of our partner incentive reserves reduce license and other revenue in the current period. The remainder relates to incentives on maintenance and reduces deferred revenue in the period the maintenance transaction is billed. This reduction in deferred revenue results in a reduction of maintenance revenue over the maintenance contract period. We also permit our distributors and resellers to return products subject to certain limitations. Consistent with our experience in fiscal 2008, we anticipate that product returns will continue to be driven by new product releases, product update cycles and software quality.

We establish revenue reserves for incentives under our Partner Incentive Program and for product returns. Partner incentive reserves are based on achievement against purchase quotas for each distributor and reseller. We also establish product return reserves based on historical experience, estimated channel inventory levels and the timing of new product introductions and other factors. While we maintain strict measures to monitor our partner incentive and product return reserves, actual incentives or product returns may exceed our reserve estimates, and such differences could harm our business.

Existing and increased competition may reduce our net revenue and profits.

The software industry has limited barriers to entry, and the availability of desktop computers with continually expanding performance at progressively lower prices contributes to the ease of market entry. The markets in which we compete are characterized by vigorous competition, both by entry of competitors with innovative technologies and by consolidation of companies with complementary products and technologies. In addition, some of our competitors in certain markets have greater financial, technical, sales and marketing and other resources. Furthermore, a reduction in the number and availability of compatible third-party applications may adversely affect the sale of our products. Because of these and other factors, competitive conditions in the

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industry are likely to intensify in the future. Increased competition could result in continued price reductions, reduced net revenue and profit margins and loss of market share, any of which would likely harm our business.

We believe that our future results depend largely upon our ability to offer products that compete favorably with respect to reliability, performance, ease of use, range of useful features, continuing product enhancements, reputation and price.

We have been named as a party in lawsuits related to our historical stock option practices and related accounting, and we may be named in additional litigation in the future, all of which could result in an unfavorable outcome and have a material adverse effect on our business, financial condition, results of operations, cash flows and the trading price for our securities.

We are currently defending two lawsuits that have been filed against us and our current officers and certain of our current and former directors and officers relating to our historical stock option practices and related accounting. See Note 11, "Commitments and Contingencies" in the Notes to Condensed Consolidated Financial Statements for a more detailed description of these proceedings. These actions are in the preliminary stages, and the ultimate outcomes could have a material adverse effect on our business, financial condition, results of operations, cash flows and the trading price for our securities.

We may become the subject of additional private or government actions in the future, including stockholder or employee litigation. Litigation may be time-consuming, expensive and disruptive to normal business operations, and the outcome of litigation is difficult to predict. The defense of lawsuits may result in significant expenditures and the diversion of our management's time and attention from the operation of our business, which could impede our business. All or a portion of any amount we may be required to pay to satisfy a judgment or settlement of any claims may not be covered by insurance.

While we believe we currently have adequate internal control over financial reporting, we are required to evaluate our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002 and any adverse results from such evaluation could result in a loss of investor confidence in our financial reports and have an adverse effect on our stock price.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 ("Section 404"), we are required to furnish a report by our management on our internal control over financial reporting. The report contains, among other matters, an assessment of the effectiveness of our internal control over financial reporting as of the end of our fiscal year, including a statement as to whether or not our internal control over financial reporting is effective. This assessment must include disclosure of any material weaknesses in our internal control over financial reporting identified by management.

While we have determined in our Management Report on Internal Control over Financial Reporting included in the fiscal 2008 Form 10-K, that our internal control over financial reporting was effective as of January 31, 2008, we must continue to monitor and assess our internal control over financial reporting. If our management identifies one or more material weaknesses in our internal control over financial reporting and such weakness remains uncorrected at fiscal year end, we will be unable to assert such internal control is effective at fiscal year end. If we are unable to assert that our internal control over financial reporting is effective at fiscal year end (or if our independent registered public accounting firm are unable to express an opinion on the effectiveness of our internal controls), we could lose investor confidence in the accuracy and completeness of our financial reports, which would likely have an adverse effect on our business and stock price.

We may face intellectual property infringement claims that could be costly to defend and result in our loss of significant rights.

As more software patents are granted worldwide, as the number of products and competitors in our industry segments grows and as the functionality of products in different industry segments overlaps, we expect that software product developers will be increasingly subject to infringement claims. Infringement or misappropriation claims

have in the past been, and may in the future be, asserted against us, and any such assertions could harm our business. Additionally, certain patent holders without products have become more aggressive in threatening and pursuing litigation in attempts to obtain fees for licensing the right to use patents. Any such claims or threats, whether with or without merit, have been and could in the future be time-consuming to defend, result in costly litigation and diversion of resources, or could cause product shipment delays or require us to enter into royalty or licensing agreements. In addition, such royalty or license agreements, if required, may not be available on acceptable terms, if at all, which would likely harm our business.

Changes in existing financial accounting standards or practices, or taxation rules or practices may adversely affect our results of operations.

Changes in existing accounting or taxation rules or practices, new accounting pronouncements or taxation rules, or varying interpretations of current accounting pronouncements or taxation practice could have a significant adverse effect on our results of operations or the manner in which we conduct our business. Further, such changes could potentially affect our reporting of transactions completed before such changes are effective. In fiscal 2007, we adopted Statement of Financial Accounting Standards No. 123R (“SFAS 123R”) which requires us to record stock-based compensation charges to earnings for employee stock option grants using a fair-value-based method for determining such charges. We believe that recognizing stock-based compensation expense under SFAS 123R will continue to materially adversely impact our earnings and may impact the manner in which we conduct our business. As of February 1, 2009, we will adopt Statement of Financial Accounting Standards No. 141 (revised 2007) “Business Combinations” (“SFAS 141R”) which requires acquisition-related costs to be expensed as incurred, restructuring costs generally to be expensed in periods subsequent to the acquisition date, in-process research and development to be capitalized as an intangible asset and amortized over its estimated useful life, and changes in accounting for deferred tax asset valuation allowances and acquired income tax uncertainties after the measurement period, which will impact income tax expense. The impact that SFAS 141R has on Autodesk’s consolidated financial position, results of operations and cash flows will be dependent on the number and size of business combinations that the Company enters into subsequent to the adoption of the standard.

Our operating results could be negatively impacted if our tax positions are successfully challenged by tax authorities.

We are a U.S. based multinational company subject to tax in multiple U.S. and foreign tax jurisdictions. Our effective tax rate is based on expected geographic mix of earnings, statutory rates, intercompany transfer pricing, and enacted tax rules. Significant judgment is required in determining our effective tax rate and in evaluating our tax positions on a worldwide basis. We believe our tax positions, including intercompany transfer pricing policies, are consistent with the tax laws in the jurisdictions in which we conduct our business. It is possible that these positions may be challenged by jurisdictional tax authorities and may have a significant impact on our effective tax rate.

We rely on third party technologies and if we are unable to use or integrate these technologies, our product and service development may be delayed.

We rely on certain software that we license from third parties, including software that is integrated with internally developed software and used in our products to perform key functions. These third-party software licenses may not continue to be available on commercially reasonable terms, and the software may not be appropriately supported, maintained or enhanced by the licensors. The loss of licenses to, or inability to support, maintain and enhance any such software could result in increased costs, or in delays or reductions in product shipments until equivalent software can be developed, identified, licensed and integrated, which would likely harm our business.

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We are investing resources in updating and improving our internal information technology systems. Should our investments not succeed, or if delays or other issues with a new internal technology system disrupt our operations, our business could be harmed.

We rely on our network and data center infrastructure, internal technology systems and our websites for our development, marketing, operational, support and sales activities. We are continually investing resources to update and improve these systems and environments in order to meet the growing requirements of our business and customers. Unsuccessful implementation of hardware or software updates and improvements could result in disruption in our business operations, loss of revenue or damage to our reputation.

Disruptions with licensing relationships and third party developers could adversely impact our business.

We license certain key technologies from third parties. Licenses may be restricted in the term or the use of such technology in ways that negatively affect our business. Similarly, we may not be able to obtain or renew license agreements for key technology on favorable terms, if at all, and any failure to do so could harm our business.

Our business strategy has historically depended in part on our relationships with third-party developers who provide products that expand the functionality of our design software. Some developers may elect to support other products or may experience disruption in product development and delivery cycles or financial pressure during periods of economic downturn. In particular markets, such disruption would likely negatively impact these third-party developers and end users, which could harm our business.

Additionally, technology created by outsourced product development, whether outsourced to third parties or developed externally and transferred to us through business or technology acquisitions have certain additional risks. These risks include potential difficulties with effective integration into existing products, adequate transfer of technology know-how and ownership and protection of transferred intellectual property.

As a result of our strategy of partnering with other companies for product development, our product delivery schedules could be adversely affected if we experience difficulties with our product development partners.

We partner with certain independent firms and contractors to perform some of our product development activities. We believe our partnering strategy allows us to, among other things, achieve efficiencies in developing new products and maintaining and enhancing existing product offerings. Our partnering strategy creates a dependency on such independent developers. Independent developers, including those who currently develop products for us in the United States and throughout the world, may not be able or willing to provide development support to us in the future. In addition, use of development resources through consulting relationships, particularly in non-US jurisdictions with developing legal systems, may be adversely impacted by, and expose us to risks relating to, evolving employment, export and intellectual property laws. These risks could, among other things, expose our intellectual property to misappropriation and result in disruptions to product delivery schedules.

Our business could be adversely affected if we are unable to attract and retain key personnel.

Our success depends largely on our ability to attract and retain highly skilled technical, managerial, sales and marketing personnel. Competition for these personnel is intense. The loss of services of any of our key personnel, the inability to retain and attract qualified personnel in the future, or delays in hiring required personnel, particularly engineering and sales personnel, could make it difficult to meet key objectives, such as timely and effective product introductions.

If we are not able to adequately protect our proprietary rights, our business could be harmed.

We rely on a combination of patents, copyright and trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect our proprietary rights. Despite such efforts to protect our proprietary rights,

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unauthorized parties from time to time have copied aspects of our software products or have obtained and used information that we regard as proprietary. Policing unauthorized use of our software products is time-consuming and costly. While we have recovered some revenue resulting from the unauthorized use of our software products, we are unable to measure the extent to which piracy of our software products exists, and software piracy can be expected to be a persistent problem. Furthermore, our means of protecting our proprietary rights may not be adequate, and our competitors may independently develop similar technology.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no sales of unregistered securities during the three months ended April 30, 2008.

The information concerning issuer purchases of equity securities required by this Item is incorporated by reference herein to the section of this Report entitled "Issuer Purchases of Equity Securities" in Part I, Item 2 above.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

The Exhibits listed below are filed as part of this Form 10-Q.

Exhibit 10.1*	Registrant's 2008 Employee Stock Plan Forms of Agreement
Exhibit 10.2*	Registrant's 2000 Directors' Option Plan Forms of Agreement
Exhibit 10.3*	Registrant's 2000 Director's Option Plan, as amended
Exhibit 31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934
Exhibit 31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934
Exhibit 32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* Denotes a management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: May 30, 2008

AUTODESK, INC.
(Registrant)

/s/ ALFRED J. CASTINO

Alfred J. Castino
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

AUTODESK, INC.

2008 EMPLOYEE STOCK PLAN

STOCK OPTION AGREEMENT

Autodesk Inc., a Delaware corporation (the "Company"), has granted to the Participant named on the Notice of Grant of Stock Options (the "Notice of Grant") which is attached hereto an option (the "Option") to purchase that number of Shares set forth on the Notice of Grant at the exercise price per Share set forth on the Notice of Grant (the "Exercise Price"), subject to all of the terms, definitions and provisions in this Agreement and the Company's stock option plan stated in the Notice of Grant (as applicable, the "Plan"), which is incorporated herein by reference. Subject to Section 14(c) of the Plan, in the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail. The terms defined in the Plan shall have the same defined meanings in this Agreement.

1. Nature of Option. If designated in the Notice of Grant as an Incentive Stock Option ("ISO"), this Option is intended to qualify as an ISO under Section 422 of the Code. However, if this Option is intended to be an ISO, to the extent that it exceeds the \$100,000 rule of Code Section 422(d) it shall be treated as a Nonstatutory Stock Option ("NSO").

2. Vesting Schedule. Except as provided in Section 3, the Option awarded by this Agreement shall vest in accordance with the vesting provisions set forth in the Notice of Grant. Shares scheduled to vest on a certain date or upon the occurrence of a certain condition shall not vest in Participant in accordance with any of the provisions of this Agreement, unless Participant shall have been continuously an Employee from the Date of Grant until the date such vesting occurs.

3. Administrator Discretion. The Administrator, in its discretion, may accelerate the vesting of the balance, or some lesser portion of the balance, of the unvested Option at any time, subject to the terms of the Plan. If so accelerated, such Option shall be considered as having vested as of the date specified by the Administrator.

4. Exercise of Option. This Option may be exercised only within the term set out in the Notice of Grant, and may be exercised during such term only in accordance with the Plan and the terms of this Agreement.

This Option shall be exercisable in a manner and pursuant to such procedures as the Administrator may determine, which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "Exercised Shares"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan (the "Exercise Notice"). Such Exercise Notice shall be properly completed and delivered in such manner as the Administrator may determine (including electronically). Payment of the Exercise Price may only be made in such manner as described below, and if appropriate, shall accompany the written notice. This Option shall be deemed to be exercised upon receipt by the

Company (or its designated representative) of the Exercise Notice and completion of payment of the Exercise Price.

No Shares shall be issued pursuant to the exercise of this Option unless such issuance and exercise complies with Applicable Laws. Assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to the Participant on the date the Option is exercised with respect to such Exercised Shares. This Option may not be exercised for a fraction of a share.

5. Method of Payment. Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of the Participant:

(a) cash;

(b) check;

(c) delivery of a properly executed Exercise Notice together with irrevocable instructions to an agent of the Company to sell the Shares and promptly deliver to the Company that portion of the sale proceeds required to pay the Exercise Price (and any applicable withholding taxes).

6. Termination Period. If the Participant ceases to be an Employee, he or she may, but only within **three (3) months** after the date Participant ceases to be an Employee, exercise this Option to the extent that he or she was entitled to exercise it as of the date of such cessation. To the extent he or she was not entitled to exercise this Option as of the date of such cessation, or if he or she does not exercise the Option within the time specified herein, the Option shall terminate.

Notwithstanding the provisions above, if Participant ceases to be an Employee as a result of his or her Disability, he or she may, but only within **twelve (12) months** from the date of such cessation, exercise his or her Option to the extent he or she was entitled to exercise it at the date of cessation. To the extent that he or she was not entitled to exercise this Option at the date of such cessation, or if he or she does not exercise such Option within the time specified herein, the Option shall terminate.

In the event of the death of the Participant during the term of this Option and while an Employee, the Option shall become fully exercisable, including as to Shares for which it would not otherwise be exercisable, and may be exercised, at any time within **twelve (12) months** following the date of death, by Participant's estate or by a person who acquired the right to exercise the Option by bequest or inheritance.

Notwithstanding the foregoing, in no event may this Option be exercised after the Expiration Date as provided above and may be subject to earlier termination as provided in Section 13(c) of the Plan.

7. Tax Obligations.

(a) Withholding Taxes. Notwithstanding any contrary provision of this Agreement, no certificate representing the Shares shall be issued to Participant, unless and until satisfactory arrangements (as determined by the Administrator) shall have been made by Participant with respect to the payment of income, employment and other taxes which the Company determines must be withheld with respect to such Shares. To the extent determined appropriate by the Company in its discretion, it shall have the right (but not the obligation) to satisfy any tax withholding obligations by reducing the number of Shares otherwise deliverable to Participant. If Participant fails to make satisfactory arrangements for the payment of any required tax withholding obligations hereunder at the time of the Option exercise, Participant acknowledges and agrees that the Company may refuse to honor the exercise and refuse to deliver Shares if such withholding amounts are not delivered at the time of exercise.

(b) Notice of Disqualifying Disposition of ISO Shares. If the Option granted to Participant herein is an ISO, and if Participant sells or otherwise disposes of any of the Shares acquired pursuant to the ISO on or before the later of (i) the date two (2) years after the Grant Date, or (ii) the date one (1) year after the date of exercise, Participant shall immediately notify the Company in writing of such disposition. Participant agrees that he or she may be subject to income tax withholding by the Company on the compensation income recognized by Participant.

8. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant shall have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares shall have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant. After such issuance, recordation and delivery, Participant shall have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares.

9. No Guarantee of Continued Employment. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS AN EMPLOYEE AT THE WILL OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING PARTICIPANT) AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED AN OPTION OR PURCHASING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS AN EMPLOYEE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING PARTICIPANT) TO TERMINATE PARTICIPANT'S RELATIONSHIP AS AN EMPLOYEE AT ANY TIME, WITH OR WITHOUT CAUSE.

10. Address for Notices. Any notice to be given to the Company under the terms of this Agreement shall be addressed to the Company at Autodesk, Inc., 111 McInnis Parkway, San Rafael, CA 94903, or at such other address as the Company may hereafter designate in writing.

11. Grant is Not Transferable. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Participant only by Participant.

12. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

13. Additional Conditions to Issuance of Stock. If at any time the Company shall determine, in its discretion, that the listing, registration or qualification of the Shares upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to Participant (or his or her estate), such issuance shall not occur unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company. The Company shall make all reasonable efforts to meet the requirements of any such state or federal law or securities exchange and to obtain any such consent or approval of any such governmental authority.

14. Plan Governs. This Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan shall govern. Capitalized terms used and not defined in this Agreement shall have the meaning set forth in the Plan.

15. Administrator Authority. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Shares subject to the Option have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. The Administrator shall not be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Agreement. The Administrator shall, in its absolute discretion, determine when such conditions have been fulfilled.

16. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to Options awarded under the Plan or future Options that may be awarded under the Plan by electronic means or request Participant's consent to participate in the Plan by electronic means. Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company.

17. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

18. Agreement Severable. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or

unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

19. Modifications to the Agreement. This Agreement constitutes the entire understanding of the parties on the subjects covered. Participant expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company.

20. Amendment, Suspension or Termination of the Plan. By accepting this Award, Participant expressly warrants that he or she has received an Option under the Plan, and has received, read and understood a description of the Plan. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time.

21. Governing Law. This Agreement shall be governed by the laws of the State of California, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Option or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation will be conducted in the courts of Marin County, California, or the federal courts for the United States for the District of Northern California, and no other courts, where this Option is made and/or to be performed.

AUTODESK, INC.

2008 EMPLOYEE STOCK PLAN

STOCK OPTION AGREEMENT

(6 month Post-Termination)

Autodesk Inc., a Delaware corporation (the "Company"), has granted to the Participant named on the Notice of Grant of Stock Options (the "Notice of Grant") which is attached hereto an option (the "Option") to purchase that number of Shares set forth on the Notice of Grant at the exercise price per Share set forth on the Notice of Grant (the "Exercise Price"), subject to all of the terms, definitions and provisions in this Agreement and the Company's stock option plan stated in the Notice of Grant (as applicable, the "Plan"), which is incorporated herein by reference. Subject to Section 14(c) of the Plan, in the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail. The terms defined in the Plan shall have the same defined meanings in this Agreement.

1. Nature of Option. If designated in the Notice of Grant as an Incentive Stock Option ("ISO"), this Option is intended to qualify as an ISO under Section 422 of the Code. However, if this Option is intended to be an ISO, to the extent that it exceeds the \$100,000 rule of Code Section 422(d) it shall be treated as a Nonstatutory Stock Option ("NSO").

2. Vesting Schedule. Except as provided in Section 3, the Option awarded by this Agreement shall vest in accordance with the vesting provisions set forth in the Notice of Grant. Shares scheduled to vest on a certain date or upon the occurrence of a certain condition shall not vest in Participant in accordance with any of the provisions of this Agreement, unless Participant shall have been continuously an Employee from the Date of Grant until the date such vesting occurs.

3. Administrator Discretion. The Administrator, in its discretion, may accelerate the vesting of the balance, or some lesser portion of the balance, of the unvested Option at any time, subject to the terms of the Plan. If so accelerated, such Option shall be considered as having vested as of the date specified by the Administrator.

4. Exercise of Option. This Option may be exercised only within the term set out in the Notice of Grant, and may be exercised during such term only in accordance with the Plan and the terms of this Agreement.

This Option shall be exercisable in a manner and pursuant to such procedures as the Administrator may determine, which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "Exercised Shares"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan (the "Exercise Notice"). Such Exercise Notice shall be properly completed and delivered in such manner as the Administrator may determine (including electronically). Payment of the Exercise Price may only be made in such manner as described below, and if appropriate, shall

accompany the written notice. This Option shall be deemed to be exercised upon receipt by the Company (or its designated representative) of the Exercise Notice and completion of payment of the Exercise Price.

No Shares shall be issued pursuant to the exercise of this Option unless such issuance and exercise complies with Applicable Laws. Assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to the Participant on the date the Option is exercised with respect to such Exercised Shares. This Option may not be exercised for a fraction of a share.

5. Method of Payment. Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of the Participant:

(a) cash;

(b) check;

(c) delivery of a properly executed Exercise Notice together with irrevocable instructions to an agent of the Company to sell the Shares and promptly deliver to the Company that portion of the sale proceeds required to pay the Exercise Price (and any applicable withholding taxes).

6. Termination Period. If the Participant ceases to be an Employee, he or she may, but only within **six (6) months** after the date Participant ceases to be an Employee, exercise this Option to the extent that he or she was entitled to exercise it as of the date of such cessation. To the extent he or she was not entitled to exercise this Option as of the date of such cessation, or if he or she does not exercise the Option within the time specified herein, the Option shall terminate.

Notwithstanding the provisions above, if Participant ceases to be an Employee as a result of his or her Disability, he or she may, but only within **twelve (12) months** from the date of such cessation, exercise his or her Option to the extent he or she was entitled to exercise it at the date of cessation. To the extent that he or she was not entitled to exercise this Option at the date of such cessation, or if he or she does not exercise such Option within the time specified herein, the Option shall terminate.

In the event of the death of the Participant during the term of this Option and while an Employee, the Option shall become fully exercisable, including as to Shares for which it would not otherwise be exercisable, and may be exercised, at any time within **twelve (12) months** following the date of death, by Participant's estate or by a person who acquired the right to exercise the Option by bequest or inheritance.

Notwithstanding the foregoing, in no event may this Option be exercised after the Expiration Date as provided above and may be subject to earlier termination as provided in Section 13(c) of the Plan.

7. Tax Obligations.

(a) Withholding Taxes. Notwithstanding any contrary provision of this Agreement, no certificate representing the Shares shall be issued to Participant, unless and until satisfactory arrangements (as determined by the Administrator) shall have been made by Participant with respect to the payment of income, employment and other taxes which the Company determines must be withheld with respect to such Shares. To the extent determined appropriate by the Company in its discretion, it shall have the right (but not the obligation) to satisfy any tax withholding obligations by reducing the number of Shares otherwise deliverable to Participant. If Participant fails to make satisfactory arrangements for the payment of any required tax withholding obligations hereunder at the time of the Option exercise, Participant acknowledges and agrees that the Company may refuse to honor the exercise and refuse to deliver Shares if such withholding amounts are not delivered at the time of exercise.

(b) Notice of Disqualifying Disposition of ISO Shares. If the Option granted to Participant herein is an ISO, and if Participant sells or otherwise disposes of any of the Shares acquired pursuant to the ISO on or before the later of (i) the date two (2) years after the Grant Date, or (ii) the date one (1) year after the date of exercise, Participant shall immediately notify the Company in writing of such disposition. Participant agrees that he or she may be subject to income tax withholding by the Company on the compensation income recognized by Participant.

8. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant shall have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares shall have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant. After such issuance, recordation and delivery, Participant shall have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares.

9. No Guarantee of Continued Employment. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS AN EMPLOYEE AT THE WILL OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING PARTICIPANT) AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED AN OPTION OR PURCHASING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS AN EMPLOYEE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING PARTICIPANT) TO TERMINATE PARTICIPANT'S RELATIONSHIP AS AN EMPLOYEE AT ANY TIME, WITH OR WITHOUT CAUSE.

10. Address for Notices. Any notice to be given to the Company under the terms of this Agreement shall be addressed to the Company at Autodesk, Inc., 111 McInnis Parkway, San Rafael, CA 94903, or at such other address as the Company may hereafter designate in writing.

11. Grant is Not Transferable. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Participant only by Participant.

12. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

13. Additional Conditions to Issuance of Stock. If at any time the Company shall determine, in its discretion, that the listing, registration or qualification of the Shares upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to Participant (or his or her estate), such issuance shall not occur unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company. The Company shall make all reasonable efforts to meet the requirements of any such state or federal law or securities exchange and to obtain any such consent or approval of any such governmental authority.

14. Plan Governs. This Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan shall govern. Capitalized terms used and not defined in this Agreement shall have the meaning set forth in the Plan.

15. Administrator Authority. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Shares subject to the Option have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. The Administrator shall not be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Agreement. The Administrator shall, in its absolute discretion, determine when such conditions have been fulfilled.

16. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to Options awarded under the Plan or future Options that may be awarded under the Plan by electronic means or request Participant's consent to participate in the Plan by electronic means. Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company.

17. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

18. Agreement Severable. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

19. Modifications to the Agreement. This Agreement constitutes the entire understanding of the parties on the subjects covered. Participant expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company.

20. Amendment, Suspension or Termination of the Plan. By accepting this Award, Participant expressly warrants that he or she has received an Option under the Plan, and has received, read and understood a description of the Plan. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time.

21. Governing Law. This Agreement shall be governed by the laws of the State of California, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Option or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation will be conducted in the courts of Marin County, California, or the federal courts for the United States for the District of Northern California, and no other courts, where this Option is made and/or to be performed.

AUTODESK, INC.

2008 EMPLOYEE STOCK PLAN

STOCK OPTION AGREEMENT

(Cashless Exercise)

Autodesk Inc., a Delaware corporation (the “Company”), has granted to the Participant named on the Notice of Grant of Stock Options (the “Notice of Grant”) which is attached hereto an option (the “Option”) to purchase that number of Shares set forth on the Notice of Grant at the exercise price per Share set forth on the Notice of Grant (the “Exercise Price”), subject to all of the terms, definitions and provisions in this Agreement and the Company’s stock option plan stated in the Notice of Grant (as applicable, the “Plan”), which is incorporated herein by reference. Subject to Section 14(c) of the Plan, in the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail. The terms defined in the Plan shall have the same defined meanings in this Agreement.

1. Nature of Option. If designated in the Notice of Grant as an Incentive Stock Option (“ISO”), this Option is intended to qualify as an ISO under Section 422 of the Code. However, if this Option is intended to be an ISO, to the extent that it exceeds the \$100,000 rule of Code Section 422(d) it shall be treated as a Nonstatutory Stock Option (“NSO”).

2. Vesting Schedule. Except as provided in Section 3, the Option awarded by this Agreement shall vest in accordance with the vesting provisions set forth in the Notice of Grant. Shares scheduled to vest on a certain date or upon the occurrence of a certain condition shall not vest in Participant in accordance with any of the provisions of this Agreement, unless Participant shall have been continuously an Employee from the Date of Grant until the date such vesting occurs.

3. Administrator Discretion. The Administrator, in its discretion, may accelerate the vesting of the balance, or some lesser portion of the balance, of the unvested Option at any time, subject to the terms of the Plan. If so accelerated, such Option shall be considered as having vested as of the date specified by the Administrator.

4. Exercise of Option. This Option may be exercised only within the term set out in the Notice of Grant, and may be exercised during such term only in accordance with the Plan and the terms of this Agreement.

This Option shall be exercisable in a manner and pursuant to such procedures as the Administrator may determine, which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the “Exercised Shares”), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan (the “Exercise Notice”). Such Exercise Notice shall be properly completed and delivered in such manner as the Administrator may determine (including electronically). Payment of the Exercise Price may only be made in such manner as described below, and if appropriate, shall

accompany the written notice. This Option shall be deemed to be exercised upon receipt by the Company (or its designated representative) of the Exercise Notice and completion of payment of the Exercise Price.

In connection with the payment procedure described in Section 5 below, the Participant will be required to sell all of the Shares the Participant elects to exercise and will not be permitted to retain any of the Exercised Shares. No Shares shall be issued pursuant to the exercise of this Option unless such issuance and exercise complies with Applicable Laws. This Option may not be exercised for a fraction of a share.

5. Method of Payment. Payment of the aggregate Exercise Price shall be by delivery of a properly executed Exercise Notice together with irrevocable instructions to an agent of the Company to sell all of the Exercised Shares and promptly deliver to the Company that portion of the sale proceeds required to pay the Exercise Price (and any applicable withholding taxes).

6. Termination Period. If the Participant ceases to be an Employee, he or she may, but only within **three (3) months** after the date Participant ceases to be an Employee, exercise this Option to the extent that he or she was entitled to exercise it as of the date of such cessation. To the extent he or she was not entitled to exercise this Option as of the date of such cessation, or if he or she does not exercise the Option within the time specified herein, the Option shall terminate.

Notwithstanding the provisions above, if Participant ceases to be an Employee as a result of his or her Disability, he or she may, but only within **twelve (12) months** from the date of such cessation, exercise his or her Option to the extent he or she was entitled to exercise it at the date of cessation. To the extent that he or she was not entitled to exercise this Option at the date of such cessation, or if he or she does not exercise such Option within the time specified herein, the Option shall terminate.

In the event of the death of the Participant during the term of this Option and while an Employee, the Option shall become fully exercisable, including as to Shares for which it would not otherwise be exercisable, and may be exercised, at any time within **twelve (12) months** following the date of death, by Participant's estate or by a person who acquired the right to exercise the Option by bequest or inheritance.

Notwithstanding the foregoing, in no event may this Option be exercised after the Expiration Date as provided above and may be subject to earlier termination as provided in Section 13(c) of the Plan.

7. Tax Obligations.

(a) Withholding Taxes. Notwithstanding any contrary provision of this Agreement, no certificate representing the Shares shall be issued to Participant, unless and until satisfactory arrangements (as determined by the Administrator) shall have been made by Participant with respect to the payment of income, employment and other taxes which the Company determines must be withheld with respect to such Shares. To the extent determined appropriate by the Company in its discretion, it shall have the right (but not the obligation) to satisfy any tax withholding

obligations by reducing the number of Shares otherwise deliverable to Participant. If Participant fails to make satisfactory arrangements for the payment of any required tax withholding obligations hereunder at the time of the Option exercise, Participant acknowledges and agrees that the Company may refuse to honor the exercise and refuse to deliver Shares if such withholding amounts are not delivered at the time of exercise.

(b) Notice of Disqualifying Disposition of ISO Shares. If the Option granted to Participant herein is an ISO, and if Participant sells or otherwise disposes of any of the Shares acquired pursuant to the ISO on or before the later of (i) the date two (2) years after the Grant Date, or (ii) the date one (1) year after the date of exercise, Participant shall immediately notify the Company in writing of such disposition. Participant agrees that he or she may be subject to income tax withholding by the Company on the compensation income recognized by Participant.

8. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant shall have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares shall have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant. After such issuance, recordation and delivery, Participant shall have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares.

9. No Guarantee of Continued Employment. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS AN EMPLOYEE AT THE WILL OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING PARTICIPANT) AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED AN OPTION OR PURCHASING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS AN EMPLOYEE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING PARTICIPANT) TO TERMINATE PARTICIPANT'S RELATIONSHIP AS AN EMPLOYEE AT ANY TIME, WITH OR WITHOUT CAUSE.

10. Address for Notices. Any notice to be given to the Company under the terms of this Agreement shall be addressed to the Company at Autodesk, Inc., 111 McInnis Parkway, San Rafael, CA 94903, or at such other address as the Company may hereafter designate in writing.

11. Grant is Not Transferable. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Participant only by Participant.

12. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

13. Additional Conditions to Issuance of Stock. If at any time the Company shall determine, in its discretion, that the listing, registration or qualification of the Shares upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to Participant (or his or her estate), such issuance shall not occur unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company. The Company shall make all reasonable efforts to meet the requirements of any such state or federal law or securities exchange and to obtain any such consent or approval of any such governmental authority.

14. Plan Governs. This Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan shall govern. Capitalized terms used and not defined in this Agreement shall have the meaning set forth in the Plan.

15. Administrator Authority. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Shares subject to the Option have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. The Administrator shall not be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Agreement. The Administrator shall, in its absolute discretion, determine when such conditions have been fulfilled.

16. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to Options awarded under the Plan or future Options that may be awarded under the Plan by electronic means or request Participant's consent to participate in the Plan by electronic means. Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company.

17. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

18. Agreement Severable. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

19. Modifications to the Agreement. This Agreement constitutes the entire understanding of the parties on the subjects covered. Participant expressly warrants that he or she is not accepting

this Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company.

20. Amendment, Suspension or Termination of the Plan. By accepting this Award, Participant expressly warrants that he or she has received an Option under the Plan, and has received, read and understood a description of the Plan. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time.

21. Governing Law. This Agreement shall be governed by the laws of the State of California, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Option or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation will be conducted in the courts of Marin County, California, or the federal courts for the United States for the District of Northern California, and no other courts, where this Option is made and/or to be performed.

Notice of Grant of Stock Options

Name	Grant Number: Number
Address	Plan: Plan
Address	ID: ID Number

You have been granted an option to purchase Common Stock of the Company, subject to the terms and conditions in the PLAN Stock Plan and the PLAN Stock Option Agreement, as follows:

Date of Grant:	DATE
Exercise Price Per Share:	PRICE
Total Number of Shares Granted:	NUMBER
Total Exercise Price:	TOTAL PRICE
Type of Option:	TYPE
Expiration Date of Option:	EXPIRE

Vesting Schedule: This Option is scheduled to become exercisable (vest) as to the number of shares and on the dates shown below. On any scheduled vesting date, vesting actually will occur only if you remain an Employee (as defined in the PLAN Stock Plan) through the scheduled vesting date.

<u>Shares</u>	<u>Vest Date</u>
SHARES	DATE
0	
0	
0	

The latest date this Option will expire is the Expiration Date shown above. However, if you cease to be an Employee before the Expiration Date, this Option may expire before the Expiration Date. If you cease to be an Employee for any reason, this Option will expire in accordance with Section 6 of the PLAN Stock Option Agreement, but in no event later than the Expiration Date. Until this Option expires, you may exercise any vested but unexercised shares. Capitalized terms that are not defined in this Notice of Grant have the same meaning as in the PLAN Stock Plan or the PLAN Stock Option Agreement.

You and the Company agree that the options granted by this Notice of Grant are governed by the terms and conditions of the PLAN Stock Plan as amended and the PLAN Stock Option Agreement, all of which are made

a part of this document and may be accessed by you in your E*Trade account. You acknowledge receipt of a copy of the PLAN Stock Option Agreement and a copy of the PLAN Stock Plan. You represent that you have carefully read and understand this Notice of Grant, the PLAN Stock Plan, the PLAN Stock Option Agreement and the prospectus describing the Plan and have had an opportunity to obtain the advice of counsel prior to accepting this Option. You accept this Option subject to all of the terms and provisions contained in each document. By accepting below, you agree to accept as binding, conclusive and final all decisions or interpretations of the Board upon any questions arising under the PLAN Stock Plan.

In addition, by accepting this award, you agree to the following: "This electronic contract contains my electronic signature, which I have executed with the intent to sign this Agreement." Please be sure to retain a copy of your electronically signed Agreement; you may obtain a paper copy at any time and at the Company's expense by requesting one from the Company's Stock Administration Department, at Autodesk, Inc., 111 McInnis Parkway, San Rafael, CA 94903, or at such other address as the Company may hereafter designate in writing. If you prefer not to electronically sign this Agreement, you may accept this Agreement by signing a paper copy of the Agreement and delivering it to the Company's Stock Administration Department.

Autodesk, Inc.

Signature

AUTODESK, INC.

2000 DIRECTORS' OPTION PLAN

NOTICE OF GRANT OF STOCK OPTION

Unless otherwise defined herein, the terms defined in the 2000 Directors' Option Plan (the "Plan") shall have the same defined meanings in this Notice of Grant.

[Optionee's name and address]

You have been granted an option to purchase Common Stock of the Company, subject to the terms and conditions of the Plan and this Option Agreement, as follows:

Grant Number	_____
Date of Grant	_____
Vesting Commencement Date	_____
Exercise Price per Share	\$ _____
Total Number of Shares Granted	_____ Shares
Total Exercise Price	\$ _____
Type of Option	Nonstatutory Stock Option
Term/Expiration Date	_____

Vesting Schedule:

This Option may be exercised, in whole or in part, in accordance with the following schedule:

[FOR AN INITIAL GRANT: This Option shall become exercisable in installments cumulatively as to thirty four percent (34%), thirty three percent (33%) and thirty three percent (33%), respectively, of the Optioned Stock on each of the three (3) succeeding years on the anniversary of such Option's date of grant, for a total vesting period of approximately three (3) years, provided that the Director continues to serve on the Board on such dates.]

[FOR AN ANNUAL GRANT: This Option shall become fully exercisable on the date of the Company's next Annual Meeting for a total vesting period of approximately one (1) year, provided that the Director continues to serve on the Board on such date.]

2000 DIRECTORS' OPTION PLAN

STOCK OPTION AGREEMENT

Autodesk, Inc., a Delaware corporation (the "Company"), has granted to the optionee (the "Optionee"), named on the Notice of Grant of Stock Option (the "Notice of Grant") which is attached hereto an option to purchase that number of shares of Common Stock (the "Shares") set forth on the Notice of Grant at the price set forth on the Notice of Grant and in all respects subject to the terms, definitions and provisions of the 2000 Directors' Option Plan adopted by the Company which is incorporated herein by reference. The terms defined in the Plan shall have the same defined meanings in this Option Agreement.

1. Nature of the Option. This Option is a nonstatutory option and is not intended to qualify for any special tax benefits to the Optionee.

2. Vesting Schedule. This Option shall vest in accordance with the vesting provisions set forth in the Notice of Grant. Shares scheduled to vest on a certain date or upon the occurrence of a certain condition shall not vest in the Optionee in accordance with any of the provisions of this Agreement, unless the Optionee continues to serve on the Board until the date such vesting occurs.

3. Exercise of Option. This Option shall be exercisable during its term in accordance with the provisions of Section 8 of the Plan as follows:

(i) Right to Exercise.

(a) [**FOR AN INITIAL GRANT:** This Option shall become exercisable in installments cumulatively as to thirty four percent (34%), thirty three percent (33%) and thirty three percent (33%), respectively, of the Optioned Stock on each of the three (3) succeeding years on the anniversary of such Option's date of grant, for a total vesting period of approximately three (3) years, provided that the Director continues to serve on the Board on such dates.] [**FOR AN ANNUAL GRANT:** This Option shall become fully exercisable on the date of the Company's next Annual Meeting for a total vesting period of approximately one (1) year, provided that the Director continues to serve on the Board on such date.]

(b) This Option may not be exercised for a fraction of a share.

(c) In the event of Optionee's death, disability or other termination of service as a Director, the exercisability of the Option is governed by Section 8 of the Plan.

(ii) Method of Exercise. This Option shall be exercisable by delivery of an exercise notice, in the form attached hereto as Exhibit A, or in a manner and pursuant to such procedures as the Board may determine, which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "Exercised Shares"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. Such notice shall be properly completed and delivered in such manner as the Board may determine (including electronically). The notice shall be accompanied by payment of the exercise price. This Option shall be deemed to be exercised upon receipt by the Company (or its designated representative) of the Exercise Notice and completion of payment of the Exercise Price.

No Shares shall be issued pursuant to the exercise of this Option unless such issuance and exercise complies with applicable laws. Assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to the Optionee on the date the Option is exercised with respect to such Exercised Shares.

4. Method of Payment. Payment of the exercise price shall be by any of the following, or a combination thereof, at the election of the Optionee:

(i) cash;

(ii) check; or

(iii) surrender of other shares of Common Stock of the Company which, in the case of Shares acquired upon exercise of an option, either have been owned by the Optionee for more than six (6) months on the date of surrender or were not acquired, directly or indirectly, from the Company, and have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Option shall be exercised.

5. Restrictions on Exercise. This Option may not be exercised if the issuance of such Shares upon such exercise or the method of payment of consideration for such shares would constitute a violation of any applicable federal or state securities or other law or regulations, or if such issuance would not comply with the requirements of any stock exchange upon which the Shares may then be listed. As a condition to the exercise of this Option, the Company may require Optionee to make any representation and warranty to the Company as may be required by any applicable law or regulation.

6. Rights as Stockholder. Neither the Optionee nor any person claiming under or through the Optionee shall have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares shall have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Optionee. After such issuance, recordation and delivery, the Optionee shall have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares.

7. No Guarantee of Continued Service. THE OPTIONEE ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS A DIRECTOR OF THE COMPANY AND NOT THROUGH THE ACT OF BEING ELECTED OR APPOINTED TO THE BOARD, BEING GRANTED AN OPTION OR PURCHASING SHARES HEREUNDER. THE OPTIONEE FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED SERVICE AS A DIRECTOR FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH THE OPTIONEE'S RIGHT OR THE RIGHT OF THE COMPANY TO TERMINATE THE OPTIONEE'S RELATIONSHIP AS A DIRECTOR AT ANY TIME, WITH OR WITHOUT CAUSE.

8. Non-Transferability of Option. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by the Optionee. The terms of this Option shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.

9. Term of Option. This Option may be exercised only within the term set out on the Notice of Grant, and may be exercised during such term only in accordance with the Plan and the terms of this Option.

10. Address for Notices. Any notice to be given to the Company under the terms of this Agreement shall be addressed to the Company at Autodesk, Inc., [111 McInnis Parkway, San Rafael, CA 94903], or at such other address as the Company may hereafter designate in writing.

11. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

12. Additional Conditions to Issuance of Stock. If at any time the Company shall determine, in its discretion, that the listing, registration or qualification of the Shares upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to the Optionee (or his or her estate), such issuance shall not occur unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company. The Company shall make all reasonable efforts to meet the requirements of any such state or federal law or securities exchange and to obtain any such consent or approval of any such governmental authority.

13. Plan Governs. This Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan shall govern.

14. Board Authority. The Board shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Shares subject to the Option have vested). All actions taken and all interpretations and determinations made by the Board in good faith shall be final and binding upon the Optionee, the Company and all other interested persons. The Board shall not be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Agreement.

15. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to Options awarded under the Plan or future Options that may be awarded under the Plan by electronic means or request the Optionee's consent to participate in the Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company.

16. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

17. Agreement Severable. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

18. Modifications to the Agreement. This Agreement constitutes the entire understanding of the parties on the subjects covered. The Optionee expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company.

19. Amendment, Suspension or Termination of the Plan. By accepting this Award, the Optionee expressly warrants that he or she has received an Option under the Plan, and has received, read and understood a description of the Plan. The Optionee understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time.

20. Governing Law. This Agreement shall be governed by the laws of the State of California, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Option or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation will be conducted in the courts of [Marin County, California], or the federal courts for the United States for the District of Northern California, and no other courts, where this Option is made and/or to be performed.

AUTODESK, INC.
a Delaware corporation

Signature

Optionee has reviewed the Plan and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement and fully understand all provisions of the Plan and the Agreement. Optionee hereby accepts this Option subject to all of the terms and provisions of the Plan and the Agreement. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Board upon any questions relating to the Plan and the Agreement.

Dated: _____

Signature

Type or Print Name

EXHIBIT A

2000 DIRECTORS' OPTION PLAN

EXERCISE NOTICE

Autodesk, Inc.
111 McInnis Parkway
San Rafael, CA 94903

Attention: Corporate Secretary

1. Exercise of Option. The undersigned ("Optionee") hereby elects to exercise Optionee's option to purchase _____ shares of the Common Stock (the "Shares") of Autodesk, Inc. (the "Company") under and pursuant to the Company's 2000 Directors' Option Plan (the "Plan") and the Option Agreement dated _____ (the "Agreement").

2. Representations of Optionee. Optionee acknowledges that Optionee has received, read and understood the Plan and the Agreement and agrees to abide by and be bound by their terms and conditions.

3. Federal Restrictions on Transfer. Optionee understands that the Shares must be held indefinitely unless they are registered under the Securities Act of 1933, as amended (the "1933 Act"), or unless an exemption from such registration is available, and that the certificate(s) representing the Shares may bear a legend to that effect. Optionee understands that the Company is under no obligation to register the Shares and that an exemption may not be available or may not permit Optionee to transfer Shares in the amounts or at the times proposed by Optionee.

4. Tax Consequences. Optionee understands that Optionee may suffer adverse tax consequences as a result of Optionee's purchase or disposition of the Shares. Optionee represents that Optionee has consulted with any tax consultant(s) Optionee deems advisable in connection with the purchase or disposition of the Shares and that Optionee is not relying on the Company for any tax advice.

5. Delivery of Payment. Optionee herewith delivers to the Company the aggregate purchase price for the Shares that Optionee has elected to purchase and has made provision for the payment of any federal or state withholding taxes required to be paid or withheld by the Company.

6. Entire Agreement. The Plan and Agreement is incorporated herein by reference. This Exercise Notice, the Plan and the Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Optionee with respect to the subject matter hereof. This Exercise Notice, the Plan and the Agreement are governed by California law except for that body of law pertaining to conflict of laws.

Submitted by:

Accepted by:

OPTIONEE

AUTODESK, INC.

Signature

Signature

Type or Print Name

Title

Address

111 McInnis Parkway
San Rafael, CA 94903

Date Accepted

AUTODESK, INC.

2000 DIRECTORS' OPTION PLAN

NOTICE OF GRANT OF RESTRICTED STOCK AWARD

Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Notice of Grant.

<Name Name>

You have been granted the right to purchase Common Stock of the Company, subject to forfeiture and your continuing status as an Outside Director (as described in the Plan and the attached Restricted Stock Purchase Agreement), as follows:

Grant Number	<Number>
Date of Grant	<Date>
Price Per Share	\$0.01
Total Number of Shares Subject to this Restricted Stock Award	<Number>
Expiration Date	<90 days from grant date>

This option shall fully vest on the date of the next Annual Stockholders Meeting.

YOU MUST EXERCISE THIS STOCK PURCHASE RIGHT BEFORE THE EXPIRATION DATE OR IT WILL TERMINATE AND YOU WILL HAVE NO FURTHER RIGHT TO PURCHASE THE SHARES. By your signature and the signature of the Company's representative below, you and the Company agree that this Restricted Stock Award is granted under and governed by the terms and conditions of the Autodesk, Inc. 2000 Directors' Option Plan and the Restricted Stock Purchase Agreement, attached hereto, both of which are made a part of this document. You further agree to execute the attached Restricted Stock Purchase Agreement as a condition to purchasing any shares under this Restricted Stock Award.

GRANTEE: AUTODESK, INC.

Signature

Signature

Type or Print Name

Title

2000 DIRECTORS' OPTION PLAN

RESTRICTED STOCK PURCHASE AGREEMENT

Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Restricted Stock Purchase Agreement.

WHEREAS in order to give the Purchaser named in the Notice of Grant, (the "Purchaser") an opportunity to acquire an equity interest in the Company as an incentive for the Purchaser to participate in the affairs of the Company, the Administrator has granted to the Purchaser a Restricted Stock Award subject to the terms and conditions of the Plan and the Notice of Grant, which are incorporated herein by reference, and pursuant to this Restricted Stock Purchase Agreement (the "Agreement").

NOW THEREFORE, the parties agree as follows:

1. Sale of Stock. The Company hereby agrees to sell to the Purchaser and the Purchaser hereby agrees to purchase shares of the Company's Common Stock (the "Shares"), at the per Share purchase price and as otherwise described in the Notice of Grant

2. Payment of Purchase Price. The purchase price for the Shares may be paid by delivery to the Company at the time of execution of this Agreement of cash, a check, or some combination thereof.

3. Repurchase Option. In the event the Purchaser ceases to be an Outside Director for any or no reason (other than death) before the Shares are released from the forfeiture provision (see Section 4), the Shares shall be forfeited by the Purchaser without any consideration therefor. In such event, the Company shall deliver written notice to the Purchaser (with a copy to the Escrow Holder). Upon delivery of such notice, the Company shall become the legal and beneficial owner of the forfeited Shares and all rights and interests therein or relating thereto, and the Company shall have the right to retain and transfer to its own name the number of Shares forfeited to the Company. In the event of the Purchaser's death, the Purchaser's Restricted Stock shall become vested as of the date of death.

4. Release of Shares From Forfeiture Provision.

(a) The Shares shall be released from the forfeiture provision at the first annual stockholder meeting following the Date of Grant provided that the Purchaser continues to be an Outside Director until the date of such release.

(b) Until the Shares have been released from the forfeiture provision, such Shares shall be referred to herein as "Unreleased Shares."

(c) The Shares that have been released from the forfeiture provision shall be delivered to the Purchaser. (See Section 6).

5. Restriction on Transfer. Except for the escrow described in Section 6 or the transfer of the Shares to the Company or its assignees contemplated by this Agreement, none of the Shares or any beneficial interest therein shall be transferred, encumbered or otherwise

disposed of in any way until such Shares are released from the forfeiture provision in accordance with the provisions of this Agreement, other than by will or the laws of descent and distribution.

6. Escrow of Shares

(a) To ensure the availability for delivery of the Purchaser's Unreleased Shares upon forfeiture pursuant to the forfeiture provisions, upon execution of this Agreement, the share certificates representing the Unreleased Shares, together with the stock assignment duly endorsed in blank, attached hereto as Exhibit A, shall be delivered and deposited with an escrow holder designated by the Company (the "Escrow Holder"). The Unreleased Shares and stock assignment shall be held by the Escrow Holder, pursuant to the Joint Escrow Instructions of the Company and Purchaser attached hereto as Exhibit B, until such time as the forfeiture provisions lapse.

(b) The Escrow Holder shall not be liable for any act it may do or omit to do with respect to holding the Unreleased Shares in escrow while acting in good faith and in the exercise of its judgment.

(c) If Shares are forfeited hereunder or when the forfeiture provisions lapse, the Escrow Holder shall promptly cause a new certificate to be issued for the released Shares and shall deliver the certificate to the Company or the Purchaser, as the case may be.

(d) Subject to the terms hereof, the Purchaser shall have all the rights of a stockholder with respect to the Shares while they are held in escrow, including without limitation, the right to vote the Shares and to receive any cash dividends declared thereon. If, from time to time during the term of the forfeiture provisions, there is (i) any stock dividend, stock split or other change in the Shares, or (ii) any merger or sale of all or substantially all of the assets or other acquisition of the Company, any and all new, substituted or additional securities to which the Purchaser is entitled by reason of the Purchaser's ownership of the Shares shall be immediately subject to this escrow, deposited with the Escrow Holder and included thereafter as "Shares" for purposes of this Agreement and the forfeiture provisions.

7. Adjustment for Stock Split. All references to the number of Shares and the purchase price of the Shares in this Agreement shall be appropriately adjusted to reflect any stock split, stock dividend or other change in the Shares which may be made by the Company after the date of this Agreement.

8. Tax Consequences. The Purchaser has reviewed with the Purchaser's own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Agreement. The Purchaser is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. The Purchaser understands that the Purchaser (and not the Company) shall be responsible for the Purchaser's own tax liability that may arise as a result of the transactions contemplated by this Agreement. The Purchaser understands that Section 83 of the Internal Revenue Code of 1986, as amended (the "Code"), taxes as ordinary income the difference between the purchase price for the Shares and the Fair Market Value of the Shares as of the date any restrictions on the Shares lapse. In this context, "restriction" includes the possible forfeiture of Shares pursuant to the forfeiture provisions. The Purchaser understands that the Purchaser may elect to be taxed at the time the Shares are purchased rather than when and as the forfeiture provisions lapse by filing an election under Section 83(b) of the Code with the Internal Revenue Service within 30 days from the date of purchase. The form for making this election is attached as Exhibit C hereto.

THE PURCHASER ACKNOWLEDGES THAT IT IS THE PURCHASER'S SOLE RESPONSIBILITY AND NOT THE COMPANY'S TO FILE TIMELY THE ELECTION UNDER SECTION 83(b).

9. General Provisions

(a) This Agreement shall be governed by the laws of the State of California. This Agreement, subject to the terms and conditions of the Plan and the Notice of Grant, represents the entire agreement between the parties with respect to the purchase of the Shares by the Purchaser. Subject to Section 12(b) of the Plan, in the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Agreement.

(b) Any notice, demand or request required or permitted to be given by either the Company or the Purchaser pursuant to the terms of this Agreement shall be in writing and shall be deemed given when delivered personally or deposited in the U.S. mail, First Class with postage prepaid, and addressed to the parties at the addresses of the parties set forth at the end of this Agreement or such other address as a party may request by notifying the other in writing.

Any notice to the Escrow Holder shall be sent to the Company's address with a copy to the other party hereto.

(c) The rights of the Company under this Agreement shall be transferable to any one or more persons or entities, and all covenants and agreements hereunder shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of the Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(d) Either party's failure to enforce any provision of this Agreement shall not in any way be construed as a waiver of any such provision, nor prevent that party from thereafter enforcing any other provision of this Agreement. The rights granted both parties hereunder are cumulative and shall not constitute a waiver of either party's right to assert any other legal remedy available to it.

(e) The Purchaser agrees upon request to execute any further documents or instruments necessary or desirable to carry out the purposes or intent of this Agreement.

(f) PURCHASER ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO SECTION 4 HEREOF IS EARNED ONLY BY CONTINUING SERVICE AS AN OUTSIDE DIRECTOR (AND NOT THROUGH THE ACT OF PURCHASING SHARES HEREUNDER). PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS AN OUTSIDE DIRECTOR FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE WITH PURCHASER'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE PURCHASER'S DIRECTORSHIP AT ANY TIME, WITH OR WITHOUT CAUSE.

By Purchaser's signature below, Purchaser represents that he or she is familiar with the terms and provisions of the Plan, and hereby accepts this Agreement subject to all of the terms and provisions thereof. Purchaser has reviewed the Plan and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement and fully understands all provisions of this Agreement. Purchaser agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or this Agreement. Purchaser further agrees to notify the Company upon any change in the residence indicated in the Notice of Grant.

DATED: _____

PURCHASER:

AUTODESK, INC.

Signature

Signature

Typed or Printed Name

Title

EXHIBIT A

ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED I, _____, hereby sell, assign and transfer unto Autodesk, Inc. shares of the Common Stock of Autodesk, Inc. standing in my name of the books of said corporation represented by Certificate No. _____ herewith and do hereby irrevocably constitute and appoint Autodesk, Inc. to transfer the said stock on the books of the within named corporation with full power of substitution in the premises.

This Stock Assignment may be used only in accordance with the Restricted Stock Purchase Agreement (the "Agreement") between Autodesk, Inc. and the undersigned dated _____.

Dated: _____

Signature

INSTRUCTIONS: Please do not fill in any blanks other than the signature line. The purpose of this assignment is to enable the Company to reacquire the shares in the event of forfeiture, as set forth in the Agreement, without requiring additional signatures on the part of the Purchaser.

EXHIBIT B

JOINT ESCROW INSTRUCTIONS

_____, 20 _____

Corporate Secretary
Autodesk, Inc.
111 McInnis Parkway
San Rafael, CA 94903

As Escrow Agent for both Autodesk, Inc., a Delaware corporation (the “Company”), and the undersigned purchaser of stock of the Company (the “Purchaser”), you are hereby authorized and directed to hold the documents delivered to you pursuant to the terms of that certain Restricted Stock Purchase Agreement (“Agreement”) between the Company and the undersigned, in accordance with the following instructions:

1. In the event the stock becomes forfeitable pursuant to the terms of the forfeiture provisions, the Company shall give to Purchaser and you a written notice specifying the number of shares of stock to be forfeited. Purchaser and the Company hereby irrevocably authorize and direct you to close the transaction contemplated by such notice in accordance with the terms of said notice.

2. At the closing, you are directed (a) to date the stock assignments necessary for the transfer in question, (b) to fill in the number of shares being transferred, and (c) to deliver same, together with the certificate evidencing the shares of stock to be transferred, to the Company.

3. Purchaser irrevocably authorizes the Company to deposit with you any certificates evidencing shares of stock to be held by you hereunder and any additions and substitutions to said shares as defined in the Agreement. Purchaser does hereby irrevocably constitute and appoint you as Purchaser’s attorney-in-fact and agent for the term of this escrow to execute with respect to such securities all documents necessary or appropriate to make such securities negotiable and to complete any transaction herein contemplated, including but not limited to the filing with any applicable state blue sky authority of any required applications for consent to, or notice of transfer of, the securities. Subject to the provisions of this paragraph 3, Purchaser shall exercise all rights and privileges of a stockholder of the Company while the stock is held by you.

4. In the event the forfeiture provisions lapse, you shall deliver to Purchaser a certificate representing the shares of stock.

5. If at the time of termination of this escrow you should have in your possession any documents, securities, or other property belonging to Purchaser, you shall deliver all of the same to Purchaser and shall be discharged of all further obligations hereunder.

6. Your duties hereunder may be altered, amended, modified or revoked only by a writing signed by all of the parties hereto.

7. You shall be obligated only for the performance of such duties as are specifically set forth herein and may rely and shall be protected in relying or refraining from acting on any instrument reasonably believed by you to be genuine and to have been signed or presented by the proper party or parties. You shall not be personally liable for any act you may do or omit to do hereunder as Escrow Agent or as attorney-in-fact for Purchaser while acting in good faith, and any act done or omitted by you pursuant to the advice of your own attorneys shall be conclusive evidence of such good faith.

8. You are hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person or corporation, excepting only orders or process of courts of law, and are hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case you obey or comply with any such order, judgment or decree, you shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

9. You shall not be liable in any respect on account of the identity, authorities or rights of the parties executing or delivering or purporting to execute or deliver the Agreement or any documents or papers deposited or called for hereunder.

10. You shall not be liable for the outlawing of any rights under the statute of limitations with respect to these Joint Escrow Instructions or any documents deposited with you.

11. You shall be entitled to employ such legal counsel and other experts as you may deem necessary properly to advise you in connection with your obligations hereunder, may rely upon the advice of such counsel, and may pay such counsel reasonable compensation therefor.

12. Your responsibilities as Escrow Agent hereunder shall terminate if you shall cease to be an officer or agent of the Company or if you shall resign by written notice to each party. In the event of any such termination, the Company shall appoint a successor Escrow Agent.

13. If you reasonably require other or further instruments in connection with these Joint Escrow Instructions or obligations in respect hereto, the necessary parties hereto shall join in furnishing such instruments.

14. It is understood and agreed that should any dispute arise with respect to the delivery and/or ownership or right of possession of the securities held by you hereunder, you are authorized and directed to retain in your possession without liability to anyone all or any part of said securities until such disputes shall have been settled either by mutual written agreement of the parties concerned or by a final order, decree or judgment of a court of competent jurisdiction after the time for appeal has expired and no appeal has been perfected, but you shall be under no duty whatsoever to institute or defend any such proceedings.

15. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States Post Office, by registered or certified mail with postage and fees prepaid, addressed to each of the other

parties thereto entitled at the following addresses or at such other addresses as a party may designate by ten days' advance written notice to each of the other parties hereto.

COMPANY: Autodesk, Inc.
111 McInnis Parkway
San Rafael, CA 94903

PURCHASER: <Name>
<Address>
<Address>

ESCROW AGENT: Corporate Secretary
Autodesk, Inc.
111 McInnis Parkway
San Rafael, CA 94903

16. By signing these Joint Escrow Instructions, you become a party hereto only for the purpose of said Joint Escrow Instruction; you do not become a party to the Agreement.

17. This instrument shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns.

18. These Joint Escrow Instructions shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

Very truly yours,

AUTODESK, INC.

Signature

Title

PURCHASER:

Signature

Typed or Printed Name

ESCROW AGENT:

Corporate Secretary

EXHIBIT C
ELECTION UNDER SECTION 83(b)
OF THE INTERNAL REVENUE CODE OF 1986

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, to include in taxpayer's gross income for the current taxable year the amount of any compensation taxable to taxpayer in connection with his or her receipt of the property described below:

1. The name, address, taxpayer identification number and taxable year of the undersigned are as follows:

NAME: TAXPAYER: SPOUSE:

ADDRESS:

IDENTIFICATION NO: TAXPAYER: SPOUSE:

TAXABLE YEAR:

2. The property with respect to which the election is made is described as follows: _____ shares (the "Shares") of the Common Stock of Autodesk, Inc. (the "Company").

3. The date on which the property was transferred is: _____.

4. The property is subject to the following restrictions:

The Shares may be forfeited by the Company upon certain events. This right lapses with regard to the Shares based on the continued performance of services by the taxpayer over time.

5. The fair market value at the time of transfer, determined without regard to any restriction other than a restriction which by its terms will never lapse, of such property is:

\$_____

6. The amount (if any) paid for such property is:

\$_____.

The undersigned has submitted a copy of this statement to the person for whom the services were performed in connection with the undersigned's receipt of the above-described property. The transferee of such property is the person performing the services in connection with the transfer of said property.

The undersigned understands that the foregoing election may not be revoked except with the consent of the Commissioner.

Dated: _____, 20 _____

Taxpayer

The undersigned spouse of taxpayer joins in this election.

Dated: _____, 20 _____

Spouse of Taxpayer

AUTODESK, INC.

2000 DIRECTORS' OPTION PLAN¹

1. *Purposes of the Plan.* The purposes of this Directors' Option Plan are to attract and retain highly skilled individuals as Directors of the Company, to provide additional incentive to the Outside Directors of the Company to serve as Directors, and to encourage their continued service on the Board.

All options granted hereunder shall be "non-statutory stock options."

2. *Definitions.* As used herein, the following definitions shall apply:

(a) "*Board*" means the Board of Directors of the Company.

(b) "*Code*" means the Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder shall include such section or regulation, any valid regulation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

(c) "*Common Stock*" means the Common Stock of the Company, par value \$0.01 per share.

(d) "*Company*" means Autodesk, Inc., a Delaware corporation, or any successor thereto.

(e) "*Director*" means a member of the Board.

(f) "*Employee*" means any person, including officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. The payment of a Director's fee or consulting fee by the Company shall not be sufficient in and of itself to constitute "employment" by the Company unless the Director and the Company agree that, as a result of payment of such fees in connection with services rendered, such Director should not be considered an Outside Director.

(g) "*Exchange Act*" means the Securities Exchange Act of 1934, as amended. Reference to a specific section of the Exchange Act or regulation thereunder shall include such section or regulation, any valid regulation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

(h) "*Fair Market Value*" means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or national market system, including without limitation the Nasdaq National Market, the Fair Market Value of a Share of Common Stock shall be the closing sale price for such stock (or the closing bid, if no sales were reported), as quoted on such system or exchange (or, if more than one, on the exchange with the greatest volume of trading in the Company's Common Stock) on the day of determination, as reported in *The Wall Street Journal* or such other source as the Board deems reliable;

(ii) If the Common Stock is quoted on Nasdaq (but not on the National Market) or regularly quoted by a recognized securities dealer, but selling prices are not reported, the Fair Market Value of a Share of Common Stock shall be the mean between the high and low asked prices for the Common Stock on the date of determination, as reported in *The Wall Street Journal* or such other source as the Board deems reliable, or;

¹ As amended by the Board of Directors on March 13, 2008 and approved by the stockholders on _____, 2008.

(iii) In the absence of an established market for the Common Stock, the Fair Market Value thereof shall be determined in good faith by the Board.

(i) “*Option*” means an option to purchase Common Stock granted pursuant to the Plan.

(j) “*Optioned Stock*” means the Common Stock subject to an Option.

(k) “*Outside Director*” means a Director who is not an Employee.

(l) “*Parent*” means a “parent corporation”, whether now or hereafter existing, as defined in Section 424(e) of the Code.

(m) “*Participant*” means the holder of an outstanding Option or Restricted Stock Award granted under the Plan.

(n) “*Period of Restriction*” means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture.

(o) “*Plan*” means this 2000 Directors’ Option Plan, as set forth in this instrument and as hereafter amended from time to time.

(p) “*Qualified Retirement*” means a retirement from the Board after the retiring Director either (i) has attained 62 years of age and has served on the Board for at least five (5) years, or (ii) has served on the Board for at least ten (10) years.

(q) “*Restricted Stock*” means an award granted to an Outside Director in accordance with Section 4(c) of this Plan.

(r) “*Restricted Stock Award*” means the Company’s grant of Restricted Stock pursuant to Section 4(c) of the Plan.

(s) “*Share*” means a share of the Common Stock, as adjusted in accordance with Section 11 of the Plan.

(t) “*Subsidiary*” means a “subsidiary corporation”, whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. *Stock Subject to the Plan.* Subject to the provisions of Section 11 of the Plan, the maximum aggregate number of Shares which may be issued under the Plan is 3,300,284² Shares (the “Pool”) of Common Stock. The Shares may be authorized, but unissued, or reacquired Common Stock. Effective as of September 2, 2005, the number of Shares that may be issued hereunder after such date as Restricted Stock shall not exceed 124,300 Shares.

If an Option expires or becomes unexercisable without having been exercised in full, the unpurchased Shares which were subject thereto shall become available for future grant or sale under the Plan (unless the Plan has terminated). If Shares are forfeited to the Company pursuant to a Restricted Stock agreement, such Shares shall be returned to the Plan and shall become available for reissuance under the Plan, unless the Plan shall have been terminated. However, such Shares shall not return to the Plan if the persons to whom they were originally issued receive the benefits of ownership of such Shares (other than voting), as such concept is interpreted from time to time by the Securities and Exchange Commission in the context of Rule 16b-3. Shares used to pay the exercise price of an Option or to satisfy tax withholding obligations shall not become available for future grant or sale under the Plan.

² As amended by the Board of Directors on March 13, 2008. If not approved by the Company’s stockholders on June 12, 2008, this number will remain as 2,700,284.

4. *Administration of and Grants under the Plan.*

(a) *Administration.* Except as otherwise required herein, the Plan shall be administered by the Board. All grants of Options and Restricted Stock to Outside Directors under this Plan shall be automatic and nondiscretionary and shall be made strictly in accordance with the following provisions:

(b) *Option Grants.*

(i) No person shall have any discretion to select which Outside Directors shall be granted Options or to determine the number of Shares to be covered by Options granted to Outside Directors.

(ii) Each Outside Director who joins the Board on or after March 16, 2000 shall be automatically granted an Option to purchase 50,000 Shares (the "Initial Option") upon the date of the first meeting of the Board at which such person first serves as a Director (which shall be (i) in the case of a Director elected by the stockholders of the Company, the first meeting of the Board after the meeting of stockholders at which such Director was elected or (ii) in the case of a Director appointed by the Board to fill a vacancy, the meeting of the Board at which such Director is appointed); provided, however, that no Option shall become exercisable under the Plan until stockholder approval of the Plan has been obtained in accordance with Section 17 hereof.

(iii) On the date of each annual stockholder meeting (an "Annual Meeting") during the term of this Plan, each Outside Director shall automatically receive an additional Option to purchase 20,000 Shares (the "Annual Option"), provided that (1) the Annual Option shall be granted only to an Outside Director who has served on the Board for at least six full months prior to the date of grant and (2) the grant of an Annual Option shall be subject to the person's continued service as an Outside Director.

(iv) The terms of each Option granted hereunder shall be as follows:

(1) Each Option shall terminate, if not previously exercised or otherwise terminated, on a date six (6) years after the date of grant.

(2) Each Option shall be exercisable only while the Outside Director remains a Director of the Company, except as set forth in

Section 8 hereof.

(3) The exercise price per Share of each Option shall be 100% of the Fair Market Value per Share on the date of grant of the Option.

(4) Each Initial Option shall become exercisable in installments cumulatively as 34%, 33% and 33%, respectively, of the Optioned Stock, on each of the three (3) succeeding years on the anniversary of such Option's date of grant, for a total vesting period of approximately three (3) years, provided that the Director continues to serve on the Board on such dates.

(5) Each Annual Option shall become fully exercisable on the date of the Company's next Annual Meeting for a total vesting period of approximately one (1) year, provided that the Director continues to serve on the Board on such date.

(v) In the event that any Option granted under the Plan would cause the number of Shares subject to outstanding Options plus the number of Shares previously purchased upon exercise of Options and the number of Shares issued pursuant to Restricted Stock Awards to exceed the Pool, then each such automatic grant shall be for that number of Shares determined by dividing the total number of Shares remaining available for grant by the number of Outside Directors on the automatic grant date. No further grants shall be made until such time, if any, as additional Shares become available for grant under the Plan through action of the stockholders to increase the number of Shares which may be issued under the Plan or through cancellation or expiration of Options previously granted hereunder.

(c) *Restricted Stock Awards.*

(i) No person shall have any discretion to select which Outside Directors shall receive Restricted Stock Awards or to determine the number of Shares to be covered by Restricted Stock awarded to Outside Directors; provided, however, that nothing in this Plan shall be construed to prevent an Outside Director from irrevocably declining to receive a Restricted Stock Award under this Plan.

(ii) On the date of each Annual Meeting during the term of this Plan, each Outside Director shall automatically receive a Restricted Stock Award for that number of Shares determined by dividing (1) the product of (a) fifty percent (50%) of the cash value of his or her annual retainer as a Director multiplied by (b) 1.2, by (2) the Fair Market Value of a Share on that date, rounded to the nearest whole Share, provided that on the date of grant of any such Restricted Stock Award such person is an Outside Director; and provided further that sufficient Shares are available under the Plan for the grant of such Restricted Stock Award.

(iii) On or before December 31 of the calendar year prior to each Annual Meeting during the term of this Plan, each Outside Director may make an election (the "Election") to receive any or all of the remaining cash balance of his or her annual retainer that will be earned for services performed as a Director in calendar years after the calendar year in which the election is made in the form of a Restricted Stock Award. The Election must be in writing and delivered to the Secretary of the Company on or prior to December 31 of the calendar year prior to such Annual Meeting. Any Election made by an Outside Director pursuant to this subsection 4(c)(iii) shall be irrevocable and shall comply with Section 409A of the Code to the extent applicable unless otherwise determined by the Board. Effective as of the Annual Meeting, the Outside Director shall receive a Restricted Stock Award for that number of Shares determined by dividing (1) the product of (a) the amount of his or her annual retainer as a Director covered by the Election, multiplied by (b) 1.2, by (2) the Fair Market Value of a Share on that date, rounded to the nearest whole Share, provided that on the date of grant of any such Restricted Stock Award such person is an Outside Director; and provided further that sufficient Shares are available under the Plan for the grant of such Restricted Stock Award.

(iv) The terms of a Restricted Stock Award granted hereunder shall be as follows:

(1) the purchase price shall be \$.01 per Share (the par value of the Company's Common Stock) and shall be deemed paid by services rendered by the Director (except as otherwise determined by the Board and set forth in the applicable Restricted Stock agreement); and

(2) Subject to Sections 9(d) and 11(c), Restricted Stock shall vest on the date of the following year's Annual Meeting of Stockholders of the Company, provided that the Participant is an Outside Director on such date.

(d) *Powers of the Board.* Subject to the provisions and restrictions of the Plan, the Board shall have the authority, in its discretion: (i) to determine, upon review of relevant information and in accordance with Section 2(h) of the Plan, the Fair Market Value of the Common Stock; (ii) to construe and interpret the terms of the Plan and Options and Restricted Stock Awards granted hereunder; (iii) to prescribe, amend and rescind rules and regulations relating to the Plan; (iv) to approve forms of agreement for use under the Plan; (v) to authorize any person to execute on behalf of the Company any instrument required to effectuate the grant of an Option or Restricted Stock Award previously granted hereunder; (vi) to modify or amend each Option or Restricted Stock Award (not inconsistent with the terms of the Plan), including the discretionary authority to extend the post-termination exercisability period of Options; and (vii) to make all other determinations deemed necessary or advisable for the administration of the Plan.

(e) *Effect of Board's Decision.* All decisions, determinations and interpretations of the Board shall be final and binding on all Participants and any other holders of Options or Restricted Stock Awards and shall be given the maximum deference permitted by law.

5. *Eligibility.* Options and Restricted Stock Awards may be granted only to Outside Directors. All Options shall be automatically granted in accordance with the terms set forth in Section 4(b) and all Restricted Stock Awards shall be automatically granted in accordance with the terms set forth in Section 4(c).

The Plan shall not confer upon any Participant any right with respect to continuation of service as a Director or nomination to serve as a Director, nor shall it interfere in any way with any rights which the Director or the Company may have to terminate his or her directorship at any time.

6. *Term of Plan.* The Plan shall become effective upon the earlier to occur of its adoption by the Board or its approval by the stockholders of the Company as described in Section 17 of the Plan. It shall continue in effect for a term of ten (10) years unless sooner terminated under Section 12 of the Plan.

7. *Option Exercise Price and Consideration.*

(a) *Exercise Price.* The per Share exercise price for Optioned Stock shall be 100% of the Fair Market Value per Share on the date of grant of the Option.

(b) *Form of Consideration.* The consideration to be paid for the Shares to be issued upon exercise of an Option may consist of (i) cash, (ii) check, (iii) other Shares which, in the case of Shares acquired upon exercise of an Option, either have been owned by the Participant for more than six (6) months on the date of surrender or were not acquired, directly or indirectly, from the Company, and have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Option shall be exercised, (iv) any combination of the foregoing methods; or (v) such other consideration and method of payment for the issuance of Shares to the extent permitted by applicable law; provided however, that in no case will loans be permitted as consideration for exercising an Option hereunder.

(c) *No Repricing.* The per Share exercise price for Optioned Stock may not be reduced without the consent of the Company's stockholders. This shall include, without limitation, a repricing of the Optioned Stock as well as an Option exchange program whereby the Participant agrees to cancel an existing Option in exchange for an Option, a Restricted Stock Award, cash, or a combination thereof.

8. *Exercise of Option.*

(a) *Procedure for Exercise; Rights as a Stockholder.* Any Option granted hereunder shall be exercisable at such times as are set forth in Section 4(b) hereof.

An Option may not be exercised for a fraction of a Share.

An Option shall be deemed to be exercised when the Company receives: (i) written or electronic notice of such exercise (in accordance with the Option agreement) from the person entitled to exercise the Option and (ii) full payment for the Shares with respect to which the Option is exercised. Full payment may consist of any consideration and method of payment allowable under Section 7(b) of the Plan. Until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of the stock certificate evidencing such Shares, no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. A share certificate for the number of Shares so acquired shall be issued to the Participant as soon as practicable after exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 11 of the Plan.

Except as otherwise provided in Section 3, exercise of an Option in any manner shall result in a decrease in the number of Shares which thereafter may be available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(b) *Rule 16b-3*. Options granted to Outside Directors must comply with the applicable provisions of Rule 16b-3 promulgated under the Exchange Act or any successor thereto and shall contain such additional conditions or restrictions as may be required thereunder to qualify for the maximum exemption from Section 16 of the Exchange Act with respect to Plan transactions.

(c) *Termination of Status as a Director*. If an Outside Director ceases to serve as a Director, he may, but only within seven (7) months after the date he ceases to be a Director of the Company, exercise his Option to the extent that he was entitled to exercise it at the date of such termination; *provided, however*, that if an Outside Director ceases to serve as a Director upon a Qualified Retirement, then he may, but only within three (3) years after the date he ceases to be a Director of the Company, exercise his Option to the extent he was entitled to exercise it at the date of such Qualified Retirement. Notwithstanding the foregoing, in no event may the Option be exercised after its term has expired. To the extent that the Director was not entitled to exercise an Option at the date of such termination, or if he does not exercise such Option (which he was entitled to exercise) within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(d) *Disability of Participant*. Notwithstanding the provisions of Section 8(c) above, in the event a Participant is unable to continue his service as a Director as a result of his total and permanent disability (as defined in Section 22(e)(3) of the Code), he may, but only within twelve (12) months from the date of termination, exercise his Option to the extent he was entitled to exercise it at the date of such termination. Notwithstanding the foregoing, in no event may the Option be exercised after its term has expired. To the extent that he was not entitled to exercise the Option at the date of termination, or if he does not exercise such Option (which he was entitled to exercise) within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(e) *Death of Participant*. In the event of the death of a Participant during the term of an Option, the Option shall become fully exercisable, including as to Shares for which it would not otherwise be exercisable and may be exercised, at any time within twelve (12) months following the date of death, by the Participant's estate or by a person who acquired the right to exercise the Option by bequest or inheritance. Notwithstanding the foregoing, in no event may the Option be exercised after its term has expired. To the extent the Option is not exercised within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

9. *Restricted Stock*.

(a) *Restricted Stock Agreement*. Following the grant of a Restricted Stock Award in accordance with Section 4(c), the Board shall provide the Participant with a Restricted Stock agreement, in such form as the Board shall approve, specifying the number of Shares granted, the Period of Restriction, and such other terms, conditions and restrictions relating to the Restricted Stock Award. Unless the Board determines otherwise, Shares of Restricted Stock shall be held by the Company as escrow agent until the restrictions on such Shares have lapsed.

(b) *Rights as a Stockholder*. Until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of the stock certificate evidencing Restricted Stock, no right to vote or to receive dividends or any other rights as a stockholder shall exist with respect to Shares of Restricted Stock. A share certificate for the number of Shares of Restricted Stock granted shall be issued to the Participant as soon as practicable after the date of grant of the Restricted Stock Award. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 11 of the Plan.

(c) *Removal of Restrictions*. Shares of Restricted Stock covered by each Restricted Stock Award made under the Plan shall be released from escrow as soon as practicable after the last day of the Period of Restriction. The Board, in its discretion, may accelerate the time at which any restrictions shall lapse or be removed. After the

restrictions have lapsed, the Participant shall be entitled to have any legends removed from his or her Share certificate, and the Shares shall be freely transferable by the Participant. The Board (in its discretion) may establish procedures regarding the release of Shares from escrow and the removal of legends, as necessary or appropriate to minimize administrative burdens on the Company.

(d) *Termination of Status as a Director.* In the event a Participant ceases to be a Director prior to vesting (other than by reason of the Participant's death), any unvested Shares of Restricted Stock shall be forfeited by the Participant without any consideration therefor.

(e) *Death.* In the event a Participant ceases to be a Director by reason of the Participant's death, the Participant's Restricted Stock shall become fully vested as of the date of death.

(f) *Shares Available Under the Plan.* Except as otherwise provided in Section 3 hereof, the grant of a Restricted Stock Award as provided hereunder shall result in a decrease in the number of Shares that thereafter shall be available under the Plan, by the number of Shares of Restricted Stock subject thereto. On the date set forth in the Restricted Stock agreement, the Restricted Stock for which restrictions have not lapsed shall revert to the Company and again shall become available for grant under the Plan.

(g) *Rule 16b-3.* Restricted Stock Awards to Outside Directors must comply with the applicable provisions of Rule 16b-3 of the Exchange Act and shall contain such additional conditions or restrictions as may be required thereunder to qualify Plan transactions, and other transactions by Outside Directors that could be matched with Plan transactions, for the maximum exemption from Section 16 of the Exchange Act with respect to Plan transactions.

10. *Non-Transferability of Options and Restricted Stock Awards.* Unless otherwise determined by the Board, Options and Restricted Stock Awards may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. Options may be exercised, during the lifetime of the Participant, only by the Participant. If the Board makes an Option or Restricted Stock Award transferable, such award shall contain such additional terms and conditions as the Board deems appropriate; provided, however, that such award shall in no event be transferable for value. Notwithstanding the foregoing, a Participant may, if the Board (in its discretion) so permits, transfer an Option or Restricted Stock Award granted on or after March 13, 2008 to an individual or entity other than the Company. Any such transfer shall be made in accordance with such procedures as the Board may specify from time to time.

11. *Adjustments Upon Changes in Capitalization, Dissolution, Merger, Asset Sale or Change of Control.*

(a) *Changes in Capitalization.* Subject to any required action by the stockholders of the Company, the number of Shares covered by each outstanding Option and Restricted Stock Award, the number of Shares which have been authorized for issuance under the Plan but as to which no Options or Restricted Stock Awards have yet been granted or which have been returned to the Plan upon cancellation or expiration of an Option or forfeiture of Restricted Stock, as well as the price per Share covered by each such outstanding Option, as applicable, shall be proportionately adjusted for any increase or decrease in the number of issued Shares resulting from a stock split, spin off, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of issued Shares effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to an Option or Restricted Stock Award.

(b) *Dissolution or Liquidation.* In the event of a proposed dissolution or liquidation of the Company, Options and Restricted Stock (other than Restricted Stock granted in accordance with Section 4(c)(iii) on or after

March 13, 2008) shall become fully vested and, in the case of Options, fully exercisable, including as to Shares as to which it would not otherwise be exercisable. To the extent an Option remains unexercised at the time of the dissolution or liquidation, the Option shall terminate.

(c) *Merger or Asset Sale.* In the event of (i) a merger of the Company with or into another corporation, other than a merger which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or (ii) the sale of substantially all of the assets of the Company, Restricted Stock shall fully vest and outstanding Options may be assumed or equivalent options may be substituted by the successor corporation or a parent or subsidiary thereof (the "Successor Corporation"). If an Option is assumed or substituted for, the Option or equivalent option shall continue to be exercisable as provided in Section 4 hereof for so long as the Participant serves as a Director or a director of the Successor Corporation. Following such assumption or substitution, if the Participant's status as a Director or director of the Successor Corporation, as applicable, is terminated other than upon a voluntary resignation by the Participant, the Option or option shall become fully exercisable, including as to Shares for which it would not otherwise be exercisable. Thereafter, the Option or option shall remain exercisable in accordance with Sections 8(c) through (e) above.

If the Successor Corporation does not assume an outstanding Option or substitute for it an equivalent option, the Option shall become fully vested and exercisable, including as to Shares for which it would not otherwise be exercisable. In such event the Board shall notify the Participant that the Option shall be fully exercisable for a period of thirty (30) days from the date of such notice, and upon the expiration of such period the Option shall terminate.

For the purposes of this Section 11(c), an Option shall be considered assumed if, following the merger or sale of assets, the Option confers the right to purchase or receive, for each Share of Optioned Stock subject to the Option immediately prior to the merger or sale of assets, the consideration (whether stock, cash, or other securities or property) received in the merger or sale of assets by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares).

12. *Amendment and Termination of the Plan.*

(a) *Amendment and Termination.* The Board may at any time amend, alter, suspend, or discontinue the Plan, but no amendment, alteration, suspension, or discontinuation shall be made which would impair the rights of any Participant under any grant theretofore made, without his or her consent. In addition, to the extent necessary and desirable to comply with any applicable law or regulation, the Company shall obtain stockholder approval of any Plan amendment in such a manner and to such a degree as required.

(b) *Effect of Amendment or Termination.* Any such amendment or termination of the Plan shall not impair the rights of any Participant under Options or Restricted Stock already granted without his or her consent and, in the absence of such consent, such Options and Restricted Stock shall remain in full force and effect as if this Plan had not been amended or terminated.

13. *Time of Granting Options or Restricted Stock Awards.* The date of grant of an Option or Restricted Stock Award shall, for all purposes, be the date determined in accordance with Section 4 hereof. Notice of the determination shall be given to each Outside Director to whom an Option or Restricted Stock Award is so granted within a reasonable time after the date of such grant.

14. *Conditions Upon Issuance of Shares.* Shares shall not be issued pursuant to the exercise of an Option or grant of a Restricted Stock Award unless the exercise of such Option or grant of such Restricted Stock Award and the issuance and delivery of such Shares pursuant thereto shall comply with all relevant provisions of law,

including, without limitation, the Securities Act of 1933, as amended, the Exchange Act, the rules and regulations promulgated thereunder, state securities laws, and the requirements of any stock exchange upon which the Shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance.

As a condition to the exercise of an Option or receipt of Shares under a Restricted Stock Award, the Company may require the person exercising such Option or receiving Shares of Restricted Stock to represent and warrant at the time of any such exercise or receipt that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares, if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned relevant provisions of law.

Inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

15. *Reservation of Shares.* The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

16. *Agreements.* Options and Restricted Stock Awards shall be evidenced by written agreements in such form as the Board shall approve.

17. *Stockholder Approval.* Continuance of the Plan shall be subject to approval by the stockholders of the Company at or prior to the first annual meeting of stockholders held subsequent to the adoption of the Plan. Such stockholder approval shall be obtained in the degree and manner required under applicable state and federal law.

18. *Successors.* All obligations of the Company under the Plan, with respect to Options and Restricted Stock Awards granted hereunder, shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business or assets of the Company.

19. *Gender and Number.* Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

20. *Severability.* In the event any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

21. *Governing Law.* The Plan and all award agreements shall be construed in accordance with and governed by the laws of the State of California (with the exception of its conflict of laws provisions).

22. *Captions.* Captions are provided herein for convenience only, and shall not serve as a basis for interpretation or construction of the Plan.

CERTIFICATIONS

I, Carl Bass, certify that:

1. I have reviewed this report on Form 10-Q of Autodesk, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 30, 2008

/s/ CARL BASS

Carl Bass
Chief Executive Officer and President

CERTIFICATIONS

I, Alfred J. Castino, certify that:

1. I have reviewed this report on Form 10-Q of Autodesk, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 30, 2008

/s/ ALFRED J. CASTINO

Alfred J. Castino
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Based on my knowledge, I, Carl Bass, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Autodesk, Inc. on Form 10-Q for the quarterly period ended April 30, 2008 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10-Q fairly presents in all material respects the financial condition and results of operations of Autodesk, Inc.

May 30, 2008

/s/ CARL BASS

Carl Bass
Chief Executive Officer and President

Based on my knowledge, I, Alfred J. Castino, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Autodesk, Inc. on Form 10-Q for the quarterly period ended April 30, 2008 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10-Q fairly presents in all material respects the financial condition and results of operations of Autodesk, Inc.

May 30, 2008

/s/ ALFRED J. CASTINO

Alfred J. Castino
Senior Vice President and Chief Financial Officer