

Discreet Announces Range of Activities to Further Success in China

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Leader in Digital Content Creation Unveils China Strategy, Localization Initiatives, and Customer Successes

BEIJING, Oct 18, 2004 /PRNewswire-FirstCall via COMTEX/ -- Discreet, a division of Autodesk, Inc. (Nasdaq: ADSK), has announced plans to double its China business over the next two years. As part of Autodesk's strategic focus on this growing market, Discreet is contributing to development in China's high-growth film, television and gaming sectors. Discreet has committed to major localization initiatives in China, including a Simplified Chinese version of 3ds max(R) -- the world's leading 3D modeling, animation and rendering software. Discreet has also launched its Chinese website featuring localized content, demos and much more.

(Logo: http://www.newscom.com/cgi-bin/prnh/20031016/SFTH007LOGO)

"We've seen tremendous demand for our solutions in China," said Paresh Khara, director, Asia Pacific at Discreet. "As China's media industries are increasingly competitive, creative and profitable, they are demanding superior products. Discreet is committed to meeting this demand by accelerating our China business and providing the most comprehensive, award-winning and localized tools in the industry."

According to Jack Gao, vice president, Corporate China Strategies and Development for Autodesk, "Discreet's business is going through the same growth as the rest of Autodesk in China. It is gratifying to see the overall market in China embrace Autodesk and all of our solutions, from architecture to broadcasting and games."

Strategy for China

Discreet's China operation will focus on key business opportunities in the film, television and gaming sectors, including animation, high-end editing and post-production. Discreet's strategy for the China market is also based upon the existing commitment to develop local talent and opportunities, helping to overcome the shortage of skilled media experts in the domestic industry. In China, over 100 colleges and universities teach aspiring developers and designers about 3ds max software. Discreet plans to expand its training facilities to provide more training opportunities to the local industry, as well as continuing to host regular visits by global digital media experts, who share knowledge and experience with local industry players.

Alex Tseng, Discreet's general manager for Greater China, said, "With the opportunities offered by urbanization, liberalization of the media, and the 2008 Olympics, this is a critical time for Chinese broadcasters, film production houses and designers to become first-movers and employ the world's best technologies to make a real difference in China's digital content creation industry."

"The new localized version of 3ds max 7 will be the world's first market-leading animation software in Simplified Chinese and will play a significant role in developing the domestic industry," added Tseng. Designed to meet the user-interface and language requirements of the Chinese market, Discreet's Simplified Chinese version of 3ds max 7 software is expected to ship in December 2004. The newly launched Discreet Chinese website (www.discreet.com.cn) provides localized content on the company, products, sales channels, demos and a schedule of technology sessions, and will later showcase local case studies and customer work.

PriceWaterhouseCoopers' Global Entertainment and Media Outlook 2004-2008 Report indicates that the gaming market will grow from \$8.4 billion in 2003 to a projected \$23.8 billion in 2008 in the Asia Pacific Region, increasing at a compound annual growth rate of 23.2 percent.

According to Lu Zhigang, artist director, Research & Development Department, Ubisoft Shanghai, the localization of 3ds max software will boost the local industry's ability to compete globally: "I am confident that with 3ds max, we can produce more triple A titles for the global market. The Chinese version of 3ds max will also help Chinese developers and designers build their presence in the lucrative computer graphics and game market."

Crystal Computer Graphics CEO, Lu Zhenggang, said, "The localization of Discreet's 3ds max software will promote software development in China, and will give artists more time to concentrate on improving the quality of their creations."

Geng Wei, artistic director, Research & Development Department, Shanda Interactive Entertainment, commented, "The launch of the Chinese version of 3ds max will be very helpful in enhancing our knowledge and expanding on the software's application potential."

Customer Success

Among the growing and successful customers that have adopted Discreet's solutions are Motion Magic Digital Studios and HuaLong Film, the leading film production companies in China. Motion Magic Digital has bought Discreet's flame(R) and flint(R) visual effects systems, and smoke(R) editing/finishing system. HuaLong Film is using Discreet's inferno(R) and flame visual effects systems. Also, the Beijing Film Academy recently purchased Discreet's smoke system for its powerful editing, finishing, and film data conforming capabilities.

Chinese broadcasters are demanding solutions that can deliver high-quality finishing and visual effects. As such, Discreet's solutions have been adopted by all major television stations, including CCTV, Beijing TV and Shanghai TV. Guangdong TV has bought Discreet's smoke system on an Intel-based IBM workstation running Linux, making it the first mainstream non-linear editing system running Linux in China.

Discreet's parent company, Autodesk, Inc. has six Chinese offices, a partnership with China's Association for Educational Technology, and customers such as China State Shipbuilding Corporation and Chinese state-owned Shanghai Automotive Industry Corporation, one of China's largest and best-selling automotive firms.

New Product Versions

Discreet recently launched new versions of its 3ds max software, lustre(R) digital grading system, inferno, flame and flint visual effects systems, and fire(R) and smoke editing/finishing systems. 3ds max 7 software has powerful new creative and workflow tools, including advanced character animation capabilities and support for next generation production environments.

About Discreet

Discreet empowers media professionals to realise the visual experience and transform their most evocative and ambitious visions into reality. Discreet's award-winning solutions are designed for digital media creation, management and delivery-across all disciplines from film and television visual effects, colour grading and editing to animation, game development, web/interactive, and design visualisation. Discreet is based in Montreal, Quebec and is a division of Autodesk, Inc, the world's leading design and digital media creation, management, and distribution company. Product and corporate information: www.discreet.com.

About 'Made in China' 3ds max

Discreet's 3ds max is the standard for digital content around the world, with the largest installed base in the 3D industry and is the preferred 3D production solution for top artists and designers and used by 80% of the world's top selling games. A team of Beijing-based software developers is working with over 45 translators and specialists, on more than 1.5 million words of documentation, full user interface localization, coding, quality engineering and project management.

During the course of this communication, we may make forward-looking statements regarding future events and the future performance of the Company. These forward-looking statements are subject to assumptions, risks and uncertainties, which are discussed in documents we file from time to time with the SEC and specifically in our Annual Report and 10-K filed for the year ended January 31, 2004. These documents contain and identify important factors that may cause the actual results to differ from those contained in our forward-looking statements.

Additionally, we may make statements regarding planned or future development efforts for our existing or new products and services. These statements are not intended to be a promise or guarantee of future delivery of products, services or features but merely reflect our current plans, which may change. Purchasing decisions should not be made based upon reliance on these statements.

The Company assumes no obligation to update these forward-looking statements to reflect events that occur or circumstances that exist or change after the date on which they were made.

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