



## Autodesk Reports Record Revenues of \$373 Million

August 18, 2005

Raises Guidance for Fiscal 2006

SAN RAFAEL, Calif., Aug. 18 /PRNewswire-FirstCall/ -- Autodesk, Inc. (Nasdaq: ADSK) today announced financial results for its second fiscal quarter ended July 31, 2005. For the second quarter, Autodesk reported record net revenues of \$373 million, a 33 percent increase over \$280 million reported in the second quarter of the prior year.

Second quarter net income was \$75 million, or \$0.30 per diluted share, on a GAAP basis and \$73 million, or \$0.29 per diluted share on a non-GAAP basis. Non-GAAP net income excludes a \$2 million tax benefit which was the only adjustment for non-GAAP purposes in the current quarter. Net income in the second quarter of the prior year was \$39 million, or \$0.16 per diluted share, on a GAAP basis, and \$44 million, or \$0.18 per diluted share on a non-GAAP basis.

"Autodesk had a remarkable quarter, and we are once again raising guidance for fiscal 2006," said Carol Bartz, Autodesk chairman and CEO. "We saw strong demand across all divisions and all markets. Our customers need real improvements in productivity and efficiency. Autodesk is meeting those needs."

Autodesk's performance was driven by strong growth in revenues from new seats, upgrades and subscriptions, increasing penetration of its vertical and 3D products and continued improvement in profitability.

Second quarter revenues from new seats increased 24 percent over the prior year. Revenues from new commercial seats of AutoCAD increased 32 percent over the prior year.

The retirement of the AutoCAD 2002 based family of products contributed to a 54 percent increase in upgrade revenues compared to the second quarter of fiscal 2005. Subscription revenues, which are called maintenance in the financial statements, increased 55 percent. Combined revenues from subscriptions and upgrades continue to represent approximately one-third of total revenues.

The company's vertical and 3D products continue to increase their market penetration. Revenues from Autodesk Architectural Desktop and Autodesk Map 3D increased 39 percent and 25 percent respectively over the second quarter of the prior year. Combined revenues from AutoCAD Mechanical and AutoCAD Electrical software increased 46 percent over last year. Revenues from new commercial seats of Autodesk's 3D products -- Autodesk Inventor Series, Autodesk Inventor Professional, Autodesk Revit Building, Autodesk AutoCAD Revit Series, and Autodesk Civil 3D -- increased 93 percent over the prior year.

During the quarter Autodesk continued to improve its profitability. Operating margins increased to 24 percent on a GAAP and non-GAAP basis. Operating margins in the second quarter of fiscal 2005 were 18 percent on a GAAP basis and 19 percent on a non-GAAP basis.

In response to feedback from customers, resellers and the sales force, the company also announced a change to the timing of annual product retirements to synchronize more closely with annual product releases in March. The change is being implemented with the retirement of AutoCAD 2002 based products. The previously announced retirement date has been extended from January 15 to March 15, 2006. In addition to improving customer satisfaction, the company believes this change will increase the total number of customers who take advantage of the opportunity to move to new releases.

"Autodesk has never been better positioned for the future," said Bartz. "Our refreshed product line provides the quick implementation, ease of use and fast return on investment that our customers demand. Our continued focus on improving our productivity and efficiency is yielding strong results. We feel confident about growing revenues in double digits again next year. Our business prospects have never been better."

A reconciliation of the above non-GAAP operating margin, net income and EPS amounts to the corresponding GAAP amounts is provided at the end of this press release.

### Business Outlook

The following statements are forward looking statements which are based on current expectations and which involve risks and uncertainties some of which are set forth below.

#### Third Quarter Fiscal 2006

Net revenues for the third quarter of fiscal 2006 are currently expected to be approximately flat with the second quarter. GAAP and non-GAAP earnings per diluted share are currently expected to be approximately flat with non-GAAP earnings per diluted share for the second quarter.

#### Full Year Fiscal 2006

For fiscal year 2006, net revenues are currently expected to be in the range of \$1.49 billion to \$1.51 billion. GAAP earnings per diluted share are expected to be in the range of \$1.20 to \$1.25.

All fiscal 2006 EPS guidance ranges are based on the company's 20 percent estimated tax rate. The company currently believes that its effective tax rate will revert back to a 24 percent effective tax rate in fiscal year 2007.

### Safe Harbor Statement

This press release contains forward-looking statements that involve risks and uncertainties, including statements in the paragraphs under "Business Outlook" above, statements regarding our expected effective tax rate and other statements regarding our anticipated performance. Factors that could

cause actual results to differ materially include the following: general market and business conditions, the timing and degree of expected investments in growth opportunities, the timing of product releases and retirements, failure to successfully integrate new or acquired businesses and technologies, failure to achieve sufficient sell-through in our channels for new or existing products, failure of key new applications to achieve anticipated levels of customer acceptance, pricing pressure, failure to achieve continued cost reductions and productivity increases, failure to achieve continued migration from 2D products to 3D products, unanticipated changes in tax rates and tax laws, failure to achieve continued success in technology advancements, changes in foreign currency exchange rates, 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 the company's third party developers, failure to achieve continued migration from 2D products to 3D products, failure to grow lifecycle management or collaboration products, and unanticipated impact of accounting for technology acquisitions.

Further information on potential factors that could affect the financial results of Autodesk are included in the company's report on Form 10-K for the year ended January 31, 2005 and Form 10-Q for the quarter ended April 30, 2005 which is on file with the Securities and Exchange Commission.

Autodesk will host its second quarter earnings announcement today at 5:00 p.m. EDT. The live announcement may be accessed at 866-271-0675 or 617-213-8892 (passcode: 81224196). A replay of the call will be available at 4:00 p.m. PDT on our website at [www.autodesk.com/investors](http://www.autodesk.com/investors) or by dialing 888-286-8010 or 617-801-6888 and reference 24835985 as the pass code. An audio webcast will also be available beginning at 5:00 p.m. EDT at [www.autodesk.com/investors](http://www.autodesk.com/investors). A replay of this webcast will be maintained on our website for at least twelve months.

#### About Autodesk

Autodesk, Inc. is wholly focused on ensuring that great ideas are turned into reality. With six million users, Autodesk is the world's leading software and services company for the building, manufacturing, infrastructure, digital media, and wireless data services fields. Autodesk's solutions help customers create, manage, and share their data and digital assets more effectively. As a result, customers turn ideas into competitive advantage by becoming more productive, streamlining project efficiency, and maximizing profits. Founded in 1982, Autodesk is headquartered in San Rafael, California. For additional information about Autodesk, please visit [www.autodesk.com](http://www.autodesk.com).

NOTE: Autodesk, AutoCAD, Autodesk Inventor, Autodesk Map, Civil 3D and Revit are either trademarks or registered trademarks of Autodesk, Inc., in the United States and/or other countries. All other brand names, product names, or trademarks belong to their respective holders.

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Autodesk, Inc.

Consolidated Statements of Income

(In thousands, except per share data)

	Three Months Ended		Six Months Ended	
	July 31,		July 31,	
	2005	2004	2005	2004
	(Unaudited)		(Unaudited)	
Net revenues:				
License and other	\$309,365	\$238,445	\$605,743	\$498,954
Maintenance	63,619	41,133	122,360	78,500
Total net revenues	372,984	279,578	728,103	577,454
Costs and expenses:				
Cost of license and other revenues	39,847	36,116	78,540	73,701
Cost of maintenance revenues	4,625	4,100	9,439	8,387
Marketing and sales	134,019	105,013	261,416	214,292
Research and development	72,995	58,342	138,847	116,223
General and administrative	32,604	22,946	60,345	50,019
Restructuring	--	3,717	--	11,967
Total costs and expenses	284,090	230,234	548,587	474,589
Income from operations	88,894	49,344	179,516	102,865
Interest and other income, net	2,832	2,179	5,844	4,595

Income before income taxes	91,726	51,523	185,360	107,460
Provision for income taxes	(16,428)	(12,358)	(33,984)	(25,790)
Net income	\$75,298	\$39,165	\$151,376	\$81,670
Basic net income per share	\$0.33	\$0.17	\$0.66	\$0.36
Diluted net income per share	\$0.30	\$0.16	\$0.61	\$0.33
Shares used in computing basic net income per share	228,654	228,004	228,212	226,187
Shares used in computing diluted net income per share	250,310	250,607	249,261	246,737

Autodesk, Inc.

Non-GAAP Consolidated Statements of Income

(See non-GAAP adjustments listed in the tables below)

(In thousands, except per share data)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2005	2004	2005	2004
	(Unaudited)		(Unaudited)	
Net revenues:				
License and other	\$309,365	\$238,445	\$605,743	\$498,954
Maintenance	63,619	41,133	122,360	78,500
Total net revenues	372,984	279,578	728,103	577,454
Costs and expenses:				
Cost of license and other revenues	39,847	36,116	78,540	73,701
Cost of maintenance revenues	4,625	4,100	9,439	8,387
Marketing and sales	134,019	105,013	261,416	214,292
Research and development	72,995	58,342	138,847	116,223
General and administrative	32,604	22,946	60,345	50,019
Total costs and expenses	284,090	226,517	548,587	462,622
Income from operations	88,894	53,061	179,516	114,832
Interest and other income, net	2,832	2,179	5,844	4,595
Income before income taxes	91,726	55,240	185,360	119,427
Provision for income taxes	(18,345)	(11,048)	(37,072)	(23,885)
Non-GAAP net income	\$73,381	\$44,192	\$148,288	\$95,542
Basic non-GAAP net income per share	\$0.32	\$0.19	\$0.65	\$0.42
Diluted non-GAAP net income per share	\$0.29	\$0.18	\$0.59	\$0.39
Shares used in computing basic				

non-GAAP net income per share	228,654	228,004	228,212	226,187
Shares used in computing diluted non-GAAP net income per share	250,310	250,607	249,261	246,737

	Three Months Ended		Six Months Ended	
	July 31,		July 31,	
	2005	2004	2005	2004
	(Unaudited)		(Unaudited)	

A reconciliation between operating expenses on a GAAP basis and non-GAAP operating expenses is as follows:

GAAP costs and expenses	\$284,090	\$230,234	\$548,587	\$474,589
Restructuring	--	(3,717)	--	(11,967)
Non-GAAP costs and expenses	\$284,090	\$226,517	\$548,587	\$462,622

A reconciliation between income from operations on a GAAP basis and non-GAAP income from operations is as follows:

GAAP income from operations	\$88,894	\$49,344	\$179,516	\$102,865
Restructuring	--	3,717	--	11,967
Non-GAAP income from operations	\$88,894	\$53,061	\$179,516	\$114,832

A reconciliation between provision for income taxes on a GAAP basis and non-GAAP provision for income taxes is as follows:

GAAP provision for income taxes	\$(16,428)	\$(12,358)	\$(33,984)	\$(25,790)
Income tax effect on restructuring at the normalized rate	--	(744)	--	(2,394)
Dividends received deduction benefit	(1,917)	2,054	(1,917)	4,299
Non-recurring tax benefit	--	--	(1,171)	--
Non-GAAP provision for income taxes	\$(18,345)	\$(11,048)	\$(37,072)	\$(23,885)

A reconciliation between net income on a GAAP basis and non-GAAP net income is as follows:

GAAP net income	\$75,298	\$39,165	\$151,376	\$81,670
Restructuring	--	3,717	--	11,967
Income tax effect on restructuring at the normalized rate	--	(744)	--	(2,394)

Dividends received deduction benefit	(1,917)	2,054	(1,917)	4,299
Non-recurring tax benefit	--	--	(1,171)	--
Non-GAAP net income	\$73,381	\$44,192	\$148,288	\$95,542

A reconciliation between diluted net income per share on a GAAP basis and diluted non-GAAP net income per share is as follows:

GAAP diluted net income per share	\$0.301	\$0.156	\$0.607	\$0.331
Restructuring	\$--	\$0.015	\$--	\$0.049
Income tax effect on restructuring at the normalized rate	\$--	\$(0.003)	\$--	\$(0.010)
Dividends received deduction benefit	\$(0.008)	\$0.008	\$(0.008)	\$0.017
Non-recurring tax benefit	\$--	\$--	\$(0.005)	\$--
Non-GAAP diluted net income per share	\$0.293	\$0.176	\$0.594	\$0.387

To supplement our consolidated financial statements presented on a GAAP basis, Autodesk uses non-GAAP measures of operating results, net income and net income per share, which are adjusted to exclude certain costs, expenses, gains and losses we believe appropriate to enhance an overall understanding of our past financial performance and also our prospects for the future. These adjustments to our GAAP results are made with the intent of providing both management and investors a more complete understanding of Autodesk's underlying operational results and trends and our marketplace performance. For example, the non-GAAP results are an indication of our baseline performance before gains, losses or other charges that are considered by management to be outside of our core operating results. In addition, these adjusted non-GAAP results are among the primary indicators management uses as a basis for our planning and forecasting of future periods. The presentation of this additional information is not meant to be considered in isolation or as a substitute for net income or diluted net income per share prepared in accordance with generally accepted accounting principles in the United States.

Autodesk, Inc.  
Condensed Consolidated Balance Sheets  
(In thousands)

	July 31, 2005 (Unaudited)	January 31, 2005 (Audited)
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ASSETS:

Current assets:

Cash and cash equivalents	\$478,663	\$517,654
Marketable securities	42,807	15,038
Accounts receivable, net	202,415	196,827
Inventories	14,301	12,545
Deferred income taxes	43,264	14,250

Prepaid expenses and other current assets	24,560	25,483
Total current assets	806,010	781,797
Computer equipment, software, furniture and leasehold improvements, net	61,076	69,566
Purchased technologies and capitalized software, net	16,175	9,319
Goodwill	188,761	166,628
Deferred income taxes, net	92,993	105,061
Other assets	16,877	9,833
	\$1,181,892	\$1,142,204

LIABILITIES AND STOCKHOLDERS' EQUITY:

Current liabilities:		
Accounts payable	\$62,658	\$46,234
Accrued compensation	89,146	140,622
Accrued income taxes	22,813	41,549
Deferred revenues	206,323	178,701
Other accrued liabilities	54,165	61,234
Total current liabilities	435,105	468,340
Deferred revenues	25,217	15,528
Other liabilities	9,290	10,258
Stockholders' equity:		
Preferred stock	--	--
Common stock and additional paid-in capital	689,937	625,225
Accumulated other comprehensive loss	(8,487)	(2,843)
Deferred compensation	(440)	(269)
Retained earnings	31,270	25,965
Total stockholders' equity	712,280	648,078
	\$1,181,892	\$1,142,204

Autodesk, Inc.

Condensed Consolidated Statements of Cash Flows

(In thousands)

	Six Months Ended	
	July 31,	
	2005	2004
	(Unaudited)	
Operating Activities		
Net income	\$151,376	\$81,670
Adjustments to reconcile net income to net cash provided by operating activities:		
Charge for acquired in-process research & development	1,200	--
Depreciation and amortization	24,288	25,372
Stock compensation expense	259	377
Net loss on fixed asset disposals	27	282
Tax benefits from employee stock plans	50,787	24,414
Restructuring related charges, net	--	5,648
Changes in operating assets and liabilities	(51,639)	884
Net cash provided by operating activities	176,298	138,647
Investing Activities		

Net (purchases) sales and maturities of available-for-sale marketable securities	(27,767)	20,165
Capital and other expenditures	(9,941)	(15,775)
Business combinations, net of cash acquired	(43,265)	(11,750)
Other investing activities	45	(1,490)
Net cash used in investing activities	(80,928)	(8,850)
Financing activities		
Proceeds from issuance of common stock, net of issuance costs	72,865	160,879
Repurchases of common stock	(202,035)	(216,410)
Dividends paid	(3,406)	(6,741)
Net cash used in financing activities	(132,576)	(62,272)
Effect of exchange rate changes on cash and cash equivalents	(1,785)	(3,803)
Net (decrease) increase in cash and cash equivalents	(38,991)	63,722
Cash and cash equivalents at beginning of year	517,654	282,249
Cash and cash equivalents at end of period	\$478,663	\$345,971
Supplemental cash flow information:		
Net cash paid during the period for income taxes	\$18,289	\$7,365
Supplemental non-cash investing activity:		
Accounts receivable and other receivable reductions as partial consideration in business combinations	\$2,371	\$--

Fiscal Year 2006	QTR 1	QTR 2	QTR 3	QTR 4	YTD2006
Financial Statistics					
(in millions):					
Total net revenues	\$355.1	\$373.0			\$728.1
License and other revenues	\$296.4	\$309.4			\$605.7
Maintenance revenues	\$58.7	\$63.6			\$122.4
Gross Margin	88%	88%			88%
GAAP Operating Expenses	\$221.0	\$239.6			\$460.6
GAAP Operating Margin	26%	24%			25%
GAAP Net Income	\$76.1	\$75.3			\$151.4
GAAP Net Income Per Share (diluted)	\$0.31	\$0.30			\$0.61
Non-GAAP Operating Expenses (1) (2)	\$221.0	\$239.6			\$460.6
Non-GAAP Operating Margin (1) (3)	26%	24%			25%
Non-GAAP Net Income (1) (4)	\$74.9	\$73.4			\$148.3
Non-GAAP Net Income Per Share (diluted) (1) (5)	\$0.30	\$0.29			\$0.59

Total Cash and

Marketable Securities	\$537.8	\$521.5	\$521.5
Days Sales Outstanding	48	49	49
Capital Expenditures	\$5.5	\$4.4	\$9.9
Cash from Operations	\$63.3	\$113.0	\$176.3
GAAP Depreciation and Amortization	\$12.6	\$11.7	\$24.3
Revenue by Geography (in millions):			
Americas	\$130.5	\$141.3	\$271.9
Europe	\$134.1	\$140.6	\$274.7
Asia/Pacific	\$90.5	\$91.1	\$181.5
Revenue by Division (in millions):			
Design Solutions Segment	\$313.2	\$325.8	\$639.0
Manufacturing Solutions Division	\$59.1	\$60.2	\$119.2
Infrastructure Solutions Division	\$39.3	\$42.4	\$81.7
Building Solutions Division	\$37.1	\$43.0	\$80.2
Platform Technology Division and other	\$177.7	\$180.2	\$357.9
Media and Entertainment Segment	\$41.2	\$45.1	\$86.4
Upgrade Revenue (in millions):			
Upgrade Revenue	\$64.6	\$71.0	\$135.6
Deferred Maintenance Revenue (in millions):			
Deferred Maintenance Revenue Balance	\$166.1	\$179.2	\$179.2
Operating Income (Loss) by Segment (in millions):			
Design Solutions	\$151.5	\$155.0	\$306.5
Media and Entertainment	\$8.4	\$9.5	\$17.9
Unallocated amounts	\$(69.3)	\$(75.6)	\$(144.9)
Common Stock Statistics:			
Stock Outstanding	228,612,000	228,412,000	228,412,000
Fully Diluted Shares Outstanding	249,272,000	250,310,000	249,261,000
Stock Repurchased	2,497,700	3,503,896	6,001,596
Installed Base Statistics:			
Total AutoCAD-based Installed Base	3,700,800	3,747,000	3,747,000
Total Inventor Installed Base	445,800	470,800	470,800



(1) To supplement our consolidated financial statements presented on a GAAP basis, Autodesk uses non-GAAP measures of operating results, net income and net income per share, which are adjusted to exclude certain costs, expenses, gains and losses we believe appropriate to enhance an overall understanding of our past financial performance and also our prospects for the future. These adjustments to our GAAP results are made with the intent of providing both management and investors a more complete understanding of Autodesk's underlying operational results and trends and our marketplace performance. For example, the non-GAAP results are an indication of our baseline performance before gains, losses or other charges that are considered by management to be outside of our core operating results.

In addition, these adjusted non-GAAP results are among the primary indicators management uses as a basis for our planning and forecasting of future periods. The presentation of this additional information is not meant to be considered in isolation or as a substitute for net income or diluted net income per share prepared in accordance with generally accepted accounting principles in the United States.

(2) GAAP Operating Expenses	\$221.0	\$239.6	\$--	\$--	\$460.6
Non-GAAP Adjustment	\$--	\$--	\$--	\$--	\$--
Non-GAAP Operating Expenses	\$221.0	\$239.6	\$--	\$--	\$460.6
(3) GAAP Operating Margin	26%	24%	--	--	25%
Non-GAAP Adjustment	0%	0%	--	--	0%
Non-GAAP Operating Margin	26%	24%	--	--	25%
(4) GAAP Net Income	\$76.1	\$75.3	\$--	\$--	\$151.4
Non-recurring tax benefit	\$(1.2)	\$(1.9)	\$--	\$--	\$(3.1)
Non-GAAP Net Income	\$74.9	\$73.4	\$--	\$--	\$148.3
(5) GAAP Net Income Per Share (diluted)	\$0.305	\$0.301	\$--	\$--	\$0.607
Non-recurring tax benefit	\$(0.005)	\$(0.008)	\$--	\$--	\$(0.013)
Non-GAAP Net Income Per Share (diluted)	\$0.300	\$0.293	\$--	\$--	\$0.594

Fiscal Year 2005	QTR 1	QTR 2	QTR 3	QTR 4	YTD2005
Financial Statistics (in millions):					
Total net revenues	\$297.9	\$279.6	\$300.2	\$356.2	\$1,233.8
License and other revenues	\$260.5	\$238.5	\$254.5	\$303.7	\$1,057.1
Maintenance revenues	\$37.4	\$41.1	\$45.7	\$52.5	\$176.7
Gross Margin	86%	86%	86%	88%	86%

GAAP

Operating Expenses	\$202.5	\$190.0	\$202.9	\$234.0	\$829.5
GAAP Operating Margin	18%	18%	18%	22%	19%
GAAP Net Income	\$42.5	\$39.2	\$74.1	\$65.8	\$221.5
GAAP Net Income Per Share (diluted) (6)	\$0.18	\$0.16	\$0.30	\$0.26	\$0.90
Non-GAAP Operating Expenses (1) (2)	\$194.2	\$186.3	\$200.0	\$222.2	\$802.7
Non-GAAP Operating Margin (1) (3)	21%	19%	19%	25%	21%
Non-GAAP Net Income (1) (4)	\$51.3	\$44.2	\$47.7	\$75.2	\$218.4
Non-GAAP Net Income Per Share (diluted) (1) (5) (6)	\$0.22	\$0.18	\$0.19	\$0.30	\$0.88
Total Cash and Marketable Securities	\$519.4	\$571.7	\$518.0	\$532.7	\$532.7
Days Sales Outstanding	43	51	50	50	50
Capital Expenditures	\$5.9	\$9.9	\$13.5	\$11.5	\$40.8
Cash from Operations	\$55.2	\$83.5	\$90.8	\$143.7	\$373.1
GAAP Depreciation and Amortization	\$12.5	\$12.9	\$13.2	\$13.4	\$52.0
Revenue by Geography (in millions):					
Americas	\$121.5	\$115.1	\$137.0	\$137.3	\$510.9
Europe	\$108.8	\$98.9	\$95.8	\$140.2	\$443.7
Asia/Pacific	\$67.6	\$65.6	\$67.4	\$78.7	\$279.2
Revenue by Division (in millions):					
Design Solutions Segment	\$260.2	\$242.4	\$256.4	\$312.3	\$1,071.3
Manufacturing Solutions Division	\$44.8	\$44.2	\$50.4	\$60.3	\$199.7
Infrastructure Solutions Division	\$35.5	\$33.6	\$35.8	\$42.9	\$147.8

Building Solutions Division	\$27.2	\$28.8	\$29.1	\$39.2	\$124.3
Platform Technology Division and other	\$152.7	\$135.8	\$141.1	\$169.9	\$599.5
Media and Entertainment Segment	\$37.6	\$36.7	\$43.1	\$42.6	\$160.0
Upgrade Revenue (in millions):					
Upgrade Revenue	\$66.7	\$46.1	\$57.1	\$92.9	\$262.8
Deferred Maintenance Revenue (in millions):					
Deferred Maintenance Revenue Balance	\$96.7	\$107.1	\$113.0	\$140.8	\$140.8
Operating Income (Loss) by Segment (in millions):					
Design Solutions	\$123.0	\$105.5	\$114.9	\$147.6	\$491.0
Media and Entertainment	\$3.4	\$6.7	\$7.0	\$10.8	\$27.9
Unallocated amounts	\$(72.9)	\$(62.8)	\$(68.1)	\$(80.2)	\$(284.0)
Common Stock Statistics (6):					
Stock Outstanding	226,048,000	229,031,000	228,101,000	227,611,000	227,611,000
Fully Diluted Shares Outstanding	238,565,000	250,607,000	248,045,000	252,674,000	246,977,000
Stock Repurchased	10,365,200	3,319,600	8,032,200	4,199,800	25,916,800
Installed Base Statistics:					
AutoCAD Total AutoCAD-based Installed Base*	3,469,400	3,514,600	3,571,800	3,618,000	3,618,000
Stand-alone AutoCAD				2,490,000	

AutoCAD					
Mechanical					149,400
AutoCAD					
Map					203,700
Architectural					
Desktop					383,900
Land					
Desktop					109,900
* Includes					
prior					
period					
adjustment					
of					
approximately					
28,000 seats					
AutoCAD LT					
Installed					
Base					2,677,900
Total					
Inventor					
Installed					
Base	306,600	349,500	388,800	422,900	422,900

(1) To supplement our consolidated financial statements presented on a GAAP basis, Autodesk uses non-GAAP measures of operating results, net income and net income per share, which are adjusted to exclude certain costs, expenses, gains and losses we believe appropriate to enhance an overall understanding of our past financial performance and also our prospects for the future. These adjustments to our GAAP results are made with the intent of providing both management and investors a more complete understanding of Autodesk's underlying operational results and trends and our marketplace performance. For example, the non-GAAP results are an indication of our baseline performance before gains, losses or other charges that are considered by management to be outside of our core operating results.

In addition, these adjusted non-GAAP results are among the primary indicators management uses as a basis for our planning and forecasting of future periods. The presentation of this additional information is not meant to be considered in isolation or as a substitute for net income or diluted net income per share prepared in accordance with generally accepted accounting principles in the United States.

(2) GAAP					
Operating					
Expenses	\$202.5	\$190.0	\$202.9	\$234.0	\$829.5
Restruct-					
uring	\$(8.3)	\$(3.7)	\$(2.9)	\$(11.8)	\$(26.7)
Non-GAAP					
Operating					
Expenses	\$194.2	\$186.3	\$200.0	\$222.2	\$802.7
(3) GAAP					
Operating					
Margin	18%	18%	18%	22%	19%
Restructuring	3%	1%	1%	3%	2%
Non-GAAP					
Operating					
Margin	21%	19%	19%	25%	21%
(4) GAAP Net					
Income	\$42.505	\$39.165	\$74.070	\$65.768	\$221.508
Restruct-					

uring	\$8.250	\$3.717	\$2.922	\$11.811	\$26.700
Income tax effect on restructuring					
(7)	\$(1.650)	\$(0.744)	\$(0.584)	\$(2.363)	\$(5.341)
Dividends Received Deduction benefit for current fiscal year					
(7)	\$2.244	\$2.054	\$(4.298)	\$--	\$--
Dividends Received Deduction benefit for prior fiscal years					
(7)	\$--	\$--	\$(15.540)	\$--	\$(15.540)
Non-recurring tax benefit					
	\$--	\$--	\$(8.905)	\$--	\$(8.905)
Non-GAAP Net Income	\$51.349	\$44.192	\$47.665	\$75.216	\$218.422
(5) GAAP Net Income Per Share (diluted)					
(6)	\$0.178	\$0.156	\$0.299	\$0.260	\$0.897
Restructuring Income tax effect on restructuring					
(7)	\$(0.007)	\$(0.003)	\$(0.002)	\$(0.009)	\$(0.022)
Dividends Received Deduction benefit for current fiscal year					
(7)	\$0.009	\$0.008	\$(0.017)	\$--	\$--
Dividends Received Deduction benefit for prior fiscal years					
(7)	\$--	\$--	\$(0.064)	\$--	\$(0.063)

Non-recurring tax benefit	\$--	\$--	\$(0.036)	\$--	\$(0.036)
Non-GAAP Net Income Per Share (diluted)					
(6)	\$0.215	\$0.176	\$0.192	\$0.298	\$0.884

(6) On November 16, 2004 the Board of Directors authorized a two-for-one stock split in the form of a stock dividend to stockholders of record as of December 6, 2004. Historical common stock statistics and per share amounts have been restated to reflect the effect of the stock split.

(7) In the third quarter of fiscal 2005, Autodesk determined that its consolidated fiscal year effective income tax rate declined from 24% to 20%.

For purposes of comparison, we have assumed the new estimated effective income tax rate of 20% in calculating our non-GAAP net income and non-GAAP earnings per share for each individual quarter of fiscal 2005.

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