



## Autodesk Reports Fourth Quarter Earnings

February 22, 2001

SAN RAFAEL, Calif., Feb. 22 /PRNewswire/ -- Autodesk, Inc. (Nasdaq: ADSK) today announced financial results for its fourth quarter and fiscal year ended January 31, 2001. The Company reported net revenues at the high end of fourth quarter and year-end guidance, and exceeded earnings per share expectations by five cents. In the fourth quarter, the Company adopted two new accounting pronouncements that deal with revenue classification. The result of the reclassifications increased net revenues and costs and expenses but had no effect to income from operations, net income, or diluted earnings per share for any reporting period. The new accounting pronouncements are more fully described below.

Prior to the accounting change, Autodesk would have reported net revenues of \$238 million for the fourth quarter of fiscal year 2001 and net revenues of \$910 million for the year ended January 31, 2001. These revenue numbers are at the high end of the Company's revenue guidance range of between \$230 million and \$240 million for the fourth quarter and between \$900 million and \$910 million for the year ended January 31, 2001.

As a result of the new accounting pronouncements, Autodesk reported net revenues of \$243 million for the fourth quarter of fiscal year 2001. This represents revenue growth of 7% compared to reclassified net revenues of \$227 million for the fourth quarter of last year. Reclassified net revenues for the year ended January 31, 2001 were \$936 million versus \$848 million for the prior year. This represents growth of 10% for fiscal year 2001.

On a pro forma basis, as defined below, fourth quarter net income was \$32 million or \$0.57 per diluted share compared to \$29 million or \$0.48 per diluted share for the same quarter a year ago. Pro forma net income for the year ended January 31, 2001 was \$109 million or \$1.87 per diluted share compared to \$61 million or \$0.99 per diluted share for the year ended January 31, 2000.

Fourth quarter net income was \$28 million or \$0.51 per diluted share compared to net income for the same quarter a year ago of \$25 million or \$0.41 per diluted share. Net income for fiscal year 2001 was \$93 million or \$1.59 per diluted share compared to net income of \$10 million or \$0.16 per diluted share for the last fiscal year.

"The fourth quarter and the year shows solid execution across the Company," said Carol Bartz, Autodesk chairman and CEO. "The theme was increasing the value of design data throughout a customer enterprise. We nailed our Internet strategy, saw our vertical products take off as the demand for purpose-built industry applications increased, and have continued to expand our network of businesses, seeing not only the growing success of our spin-off companies, but creating a new line of businesses within Autodesk as well. It was a break-through year on several fronts."

### FY01 Highlights

FY01 was a year of execution for Autodesk. Achievements for the year include:

- Producing Discreet's best year on record
- Introducing Internet-based design collaboration with the 2000i product line and Point A
- Delivering new versions of flagship products like Inventor and Architectural Desktop that provide a new and better way to approach manufacturing and building design projects
- Launching mobile and wireless initiatives like Onsite and Autodesk Location Services to deliver information to the point of work at the moment of need -- And mobilizing our organization for results -- driving revenue while tightly managing operations for maximum efficiency

### Business Outlook

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

For fiscal year end January 31, 2002, the Company expects net revenue to range between \$1.025 billion and \$1.065 billion. Net revenue for the first quarter of fiscal year 2002 is expected to range between \$240 million and \$250 million. These revenue expectations depend on a number of factors, including continued customer acceptance of key products and services, channel partner sales of our products and services, and the ability to grow new Internet-related businesses, and may be impacted by further slowing in the overall worldwide economies, geographic softness, and foreign currency fluctuations.

Earnings per diluted share on a pro forma basis, excluding nonrecurring credits or charges as well as amortization of goodwill and purchased intangibles, is expected to range between \$2.10 and \$2.25 for the fiscal year ended January 31, 2002. For the first quarter of fiscal year 2002, pro forma earnings are expected to range between \$0.40 and \$0.50 per diluted share. Pro forma earnings per diluted share may vary due to overall revenue fluctuations, our ability to control operating costs, future investments and spending related to spin-off businesses, and fluctuations in share count.

The statements above contained in the business outlook are forward-looking statements that involve risks and uncertainties. In addition to factors discussed above, other factors that could cause actual results to differ materially are the following: general market and business conditions, competitive pressure, failure to achieve timely release of new products and services, changes in customer ordering patterns, failure to successfully grow new Internet-related businesses and impact from results of operations and financial condition of partially-owned affiliates. Further information on potential factors that could affect the financial results of Autodesk are included in the Company's Report on Form 10-K for the year ended January 31, 2000, and Form 10-Q for the quarter ended October 31, 2000, which are on file with the Securities and Exchange Commission.

### Summary of New Accounting Pronouncements

The accounting reclassifications reported today are the result of new rules issued by the Emerging Issues Task Force (EITF), which were aimed at standardizing accounting practices. The reclassifications involve a change in how dealer commissions and customer-paid shipping and handling fees

are presented on the Company's statements of operations.

Specifically, Autodesk adopted EITF Issue No. 99-19, "Reporting Revenue Gross as a Principal versus Net as an Agent." Under this rule, dealer commissions are being accounted for as marketing and sales expenses versus the previous accounting as a direct reduction in net revenues. See the table below for more details.

During the fourth quarter, Autodesk also adopted EITF Issue No. 00-10, "Accounting for Shipping and Handling Fees and Costs." Under this rule, shipping and handling fees billed to customers are being accounted for as net revenues versus the previous accounting as a reduction to cost of revenues. See the table below for more details.

A summary of Autodesk's financial results is as follows:

| Three months ended January 31              | 2001          | 2000          |
|--|---------------|---------------|
| Net revenues before adoption of new rules  | \$238,455,000 | \$220,226,000 |
| Net revenues as reclassified (A)           | \$243,047,000 | \$226,677,000 |
| Net income (B)                             | \$28,363,000  | \$25,170,000  |
| Pro forma net income (C)                   | \$32,059,000  | \$29,267,000  |
| Diluted net income per share (B)           | \$0.51        | \$0.41        |
| Pro forma diluted net income per share (C) | \$0.57        | \$0.48        |

(A) Net revenues as reclassified for the quarter ended January 31, 2001 exclude dealer commissions of \$4.1 million and include shipping and handling billings of \$0.5 million. Net revenues for the quarter ended January 31, 2000 exclude dealer commissions of \$5.9 million and include shipping and handling billings of \$0.6 million.

(B) Net income for the quarter ended January 31, 2000, includes nonrecurring credits of \$1.8 million or \$0.03 per diluted share.

(C) Pro forma results for the quarter ended January 31, 2001, exclude amortization of goodwill and purchased intangibles of \$5.6 million or \$0.10 per diluted share. Pro forma results for the quarter ended January 31, 2000, exclude amortization of goodwill and purchased intangibles and nonrecurring credits that netted to \$6.0 million or \$0.10 per diluted share.

| Fiscal Year ended January 31               | 2001          | 2000          |
|--|---------------|---------------|
| Net revenues before adoption of new rules  | \$909,556,000 | \$820,182,000 |
| Net revenues as reclassified (D)           | \$936,324,000 | \$848,051,000 |
| Net income (E)                             | \$93,233,000  | \$9,808,000   |
| Pro forma net income (F)                   | \$109,405,000 | \$60,719,000  |
| Diluted net income per share (E)           | \$1.59        | \$0.16        |
| Pro forma diluted net income per share (F) | \$1.87        | \$0.99        |

(D) Net revenues as reclassified for the year ended January 31, 2001 exclude dealer commissions of \$24.7 million and include shipping and handling billings of \$2.1 million. Net revenues for the year ended January 31, 2000 exclude dealer commissions of \$25.4 million and include shipping and handling billings of \$2.4 million.

(E) Net income for the fiscal year ended January 31, 2001, includes nonrecurring credits of \$1.2 million or \$0.02 per diluted share. The net income for the fiscal year ended January 31, 2000, includes nonrecurring charges of \$34.7 million or \$0.57 per diluted share.

(F) Pro forma results for the fiscal year ended January 31, 2001, exclude nonrecurring credits and amortization of goodwill and purchased intangibles that netted to \$25.3 million or \$0.43 per diluted share. Pro forma results for the fiscal year ended January 31, 2000, exclude nonrecurring charges and amortization of goodwill and purchased intangibles that totaled \$65.4 million or \$1.06 per diluted share.

Autodesk will host a toll free conference call at 888-391-0099 and an audio web cast on the fourth quarter results beginning at 5:00 p.m. Eastern Time at [www.Autodesk.com/investor](http://www.Autodesk.com/investor). An audio web cast replay will be available until March 1, 2001.

#### About Autodesk

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

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Autodesk, Inc.

During the fourth quarter of fiscal year 2001, Autodesk adopted two new accounting pronouncements that increased net revenues and costs and expenses but had no effect on operating income, net income or diluted earnings per share for any reporting periods. These pronouncements are discussed in more detail in note (A) below.

(A) As a result of two new accounting pronouncements that were effective during the fourth quarter of fiscal 2001, Autodesk reclassified dealer commissions to marketing and sales expenses and customer-paid shipping and handling fees to net revenues. Previously, dealer commission costs were reflected as a direct reduction of net revenues and customer-paid shipping and handling amounts were reflected as a reduction of cost of revenues.

During fiscal 2001, dealer commission costs were \$7.4 million (Qtr 1), \$6.0 million (Qtr 2), \$7.2 million (Qtr 3), \$4.1 million (Qtr 4), and \$24.7 million (total). Shipping and handling amounts during fiscal 2001 were as follows: \$0.6 million (Qtr 1), \$0.5 million (Qtr 2), \$0.5 million (Qtr 3), \$0.5 million (Qtr 4), and \$2.1 million (total).

During fiscal 2000, dealer commission costs were \$7.1 million (Qtr 1), \$7.0 million (Qtr 2), \$5.4 million (Qtr 3), \$5.9 million (Qtr 4), and \$25.4 million (total). Shipping and handling amounts during fiscal 2000 were as follows: \$0.6 million (Qtr 1), \$0.6 million (Qtr 2), \$0.6 million (Qtr 3), \$0.6 million (Qtr 4), and \$2.4 million (total).

(B) Pro forma net income excludes amortization of goodwill and purchased intangibles and nonrecurring charges and credits. SOURCE Autodesk, Inc.

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