



Autodesk Signs Definitive Agreement To Purchase Buzzsaw.com, the Leading Provider of Online Collaboration Services and Printing Applications to the Building Industry

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Company Reports No Change to Fiscal Year 2002 Revenue or Earnings Per Share Expectations as a Result of this Acquisition

Autodesk, Inc., (Nasdaq:ADSK) the world's leading design and digital content creation company today announced it has signed a definitive agreement to acquire Buzzsaw.com, a privately held company that provides leading online collaboration applications to improve efficiencies and reduce costs for the building industry. The transaction is expected to close in the third quarter of fiscal year 2002. As an initial strategic investor, Autodesk held a 40 percent interest in Buzzsaw.com and will purchase the remaining 60 percent of the company for \$15 million in cash plus the assumption of liabilities. The acquisition will not result in any change to the revenue and earnings per share guidance previously given for Autodesk's fiscal year 2002. For the second quarter, Autodesk also reports no change to revenue guidance, but adds a one-time benefit of approximately \$.04 to earnings per share guidance as a result of the acquisition.

The acquisition of Buzzsaw.com is part of Autodesk's strategy to extend its business to complementary new markets. Buzzsaw.com serves customers across the building design, construction, and management process: building owners and developers, facilities managers, commercial contractors, and reprographers -- the consumers of design data created with Autodesk software. With Buzzsaw.com, the building industry can leverage digital information from design to print to construction, enabling new efficiencies and cost savings throughout a building's lifecycle.

"The Buzzsaw.com spin-off in 1999 was an exploration of the market potential for process automation in the multi-billion dollar construction industry," said Carol Bartz, Autodesk chairman and CEO. "Bringing Buzzsaw.com back to Autodesk now is a perfect opportunity for us to add a proven concept to our portfolio of services that target the management and use of design information. We'll be able to both reach a new set of customers previously unaddressed by Autodesk and enhance the services we provide to our existing customers worldwide."

How Buzzsaw.com and Autodesk Work Together

Buzzsaw.com was spun-off from Autodesk in October 1999. Autodesk has remained its largest single shareholder and key strategic partner since then. With this acquisition, Buzzsaw.com is positioned to deliver on its original and current mission: to provide efficiencies and cost savings throughout the entire building design and construction process.

Buzzsaw.com has successfully tapped into an important part of what the \$3.9 trillion global building industry needs: a secure online workspace that facilitates and improves communication across enterprises within a highly fragmented industry. In just 20 months of operation, Buzzsaw.com has more than 125,000 construction professionals using its services to collaborate on some 35,000 projects. Buzzsaw.com has attracted some of the largest and most influential architects, owners, developers, contractors, and reprographers throughout the United States including CenterAmerica Property Trust, L.P.; Dow Corning Corporation; Ellerbe Becket Inc.; Gensler; Imaging Technologies; Toys "R" Us, Inc.; U.S. Reprographics; Skidmore Owings & Merrill LLP (SOM); Hellmuth, Obata + Kassabaum, Inc. (HOK); and The Walt Disney Company.

As part of their ongoing strategic relationship, the two companies have worked together to create a combination of technologies and services that connect people, tools, and resources to save time and reduce building costs. The integration of Buzzsaw.com's ProjectPoint online project collaboration application and its Plans & Specs online print management application with Autodesk's AutoCAD and Architectural Desktop design software gives Autodesk customers a direct connection to Buzzsaw.com's project management applications from their design applications. Buzzsaw.com's collaboration technology has helped Autodesk create My Files, a personal, secure online service, accessible via Autodesk's Point A portal, enabling designers to store and share files with colleagues and clients.

The two companies have also co-developed web-enabled tools, such as Autodesk Volo View, to let members of extended design teams easily view, plot, mark up and collaborate with design data. Together, this technology and these products create a comprehensive building-design data set that can tie together all participants in the building design, construction, and management process.

"Buzzsaw.com and Autodesk recognize that building professionals need a design and project management platform that can help not only with creation of building design documents, but also with communication and management of the downstream building process -- bidding, construction, and property management," said Mike Hnastchenko, director of technology at Ellerbe Becket. "At Ellerbe Becket, we use Buzzsaw.com's project management application for managing and sharing data for more than 75 projects throughout the U.S., Europe and Asia."

Subject to certain conditions, including approval from Buzzsaw.com's shareholders, the transaction is expected to close by the end of August 2001. Until this transaction is finalized, both companies shall operate as separate entities.

Autodesk Financial Update

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

For the second quarter of fiscal year 2002, which concludes on July 31, Autodesk expects no change to its previous revenue guidance range of \$240 million to \$250 million.

For the fiscal year, Autodesk expects no change in its previous revenue guidance range of \$1,000 million to \$1,020 million.

These revenue expectations depend on a number of factors, including the timely shipments of localized versions of key new products based on the AutoCAD 2002 foundation, customer acceptance of recently shipped new products based on the AutoCAD 2002 foundation, the ability to grow new Internet-related services and businesses, and may be impacted by further slowing in the overall worldwide economies particularly in the United States and Europe.

For the second quarter, Autodesk expects a one-time benefit of approximately \$0.04 in pro forma earnings per diluted share as a result of not recognizing any losses associated with a Buzzsaw.com equity investment. As noted in prior guidance, Autodesk had planned to participate in a round of Buzzsaw.com financing; however, that investment did not take place, hence no associated investment-related loss will be recognized.

This brings earnings per diluted share on a pro forma basis, excluding nonrecurring charges as well as amortization of goodwill and purchased intangibles, to a new expected range of \$0.44 to \$0.54 per diluted share for the second quarter of fiscal year 2002.

Autodesk anticipates that operating losses for Buzzsaw will be roughly equal to the loss expectations included in Autodesk's prior guidance for Buzzsaw as an affiliated company for the second half of the fiscal year.

For the full year, earnings per diluted share on a pro forma basis, excluding nonrecurring charges as well as amortization of goodwill and purchased intangibles, are expected to remain unchanged in the range of \$2.10 to \$2.25.

Pro forma earnings per diluted share may vary due to timely shipment and customer acceptance of key new products based on the AutoCAD 2002 foundation, our ability to control and further reduce operating costs, future strategic investments, as well as incubating new businesses and fluctuations in share count.

All other expectations remain unchanged.

The statements above contained in the business outlook are forward-looking statements that involve risks and uncertainties. In addition to factors discussed above, other factors that could cause actual results to differ materially include the following: general market and business conditions, pricing pressure, continued success in technology advancements and timely release of new products and services, changes in customer ordering patterns, failure to grow Internet-related businesses and operational results and equity financings of other affiliates. Further information on potential factors that could affect the financial results of Autodesk are included in the Company's Report on Form 10-K for the year ended January 31, 2001, and Form 10-Q for the quarter ended April 30, 2001, which are on file with the Securities and Exchange Commission.

About Autodesk

Autodesk is the world's leading design and digital content creation resource. The company provides software and Internet portal services to help customers drive business through the power of design. One of the largest software companies in the world, Autodesk helps more than four million customers in more than 150 countries turn designs into reality. For more information, contact any Authorized Autodesk Reseller, call Autodesk at 800-964-6432, or visit www.autodesk.com. Discreet product information is available at 800 869-3504 or via the web at www.discreet.com.

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