



Autodesk Reports Third Quarter Earnings; Company Exceeds Earnings Expectations

November 15, 2001

SAN RAFAEL, Calif., Nov 15, 2001 (BUSINESS WIRE) -- Autodesk, Inc. (Nasdaq:ADSK), the world's leading design software and digital content company, today announced financial results for its third quarter ended October 31, 2001. Autodesk reported net revenues of \$216.4 million for the third quarter of fiscal year 2002 compared to \$229.2 million for the third quarter of fiscal year 2001.

On a pro forma basis, as defined below, third quarter net income was \$20.8 million, or \$0.37 per diluted share, compared to \$21.9 million, or \$0.38 per diluted share, for the same quarter a year ago.

Third quarter net income was \$21.5 million, or \$0.38 per diluted share. This compares to net income for the same quarter a year ago of \$18.5 million, or \$0.32 per diluted share.

"Operational efficiency, focused product strategy, and solid sales execution anchored our third quarter performance," said Carol Bartz, Autodesk chairman and chief executive officer. "We're in the middle of a very strong product cycle. Despite macroeconomic softness affecting our business, our product and sales teams continue to create opportunity. The milestones we hit in Q3 tell us that our strategies are aligned with customer needs."

Third Quarter Highlights

- In our manufacturing division, our flagship 3D modeling software application, Autodesk Inventor, had a record performance for the quarter. Quarterly revenue increased by more than 64% sequentially, more than double the revenues of last year. We added more than 5,300 commercial Autodesk Inventor users during the quarter.
- Across geographies, the company reported strong adoption of the AutoCAD 2002-based vertical design applications for building design, manufacturing design, civil engineering, and mapping.
- Strength in the company was enhanced by the acquisitions of Buzzsaw, an online project collaboration and print management applications company; the core development team of POINT Gruppen, who we have been working with the past two years to develop the building systems applications we started shipping this quarter; and Media 100's streaming and non-linear editing software business. These three acquisitions enhance our diverse portfolio of assets and ultimately add to the company's future growth strategy.

Business Outlook

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

Revenue outlook:

- For the fourth quarter of fiscal year 2002, the company expects net revenue to range between \$245 and \$255 million. This brings the company's net revenue expectations for fiscal year 2002 to a range between \$938 and \$948 million.

These revenue expectations could be adversely impacted by a number of factors, including further slowing in the worldwide economies especially in the United States and developing countries in Asia Pacific, failure to achieve customer acceptance of key new design and entertainment applications, failure to grow new collaborative services, inability of customers to obtain external financing, failure to achieve anticipated revenue results from newly acquired businesses, and foreign currency fluctuations.

Earnings per share outlook:

- Earnings per share on a pro forma basis, as defined below, is expected to range between \$0.51 and \$0.61 per diluted share for the fourth quarter of fiscal year 2002. This brings the company's pro forma earnings per share expectations for fiscal year 2002 to a range between \$1.98 and \$2.08.

Pro forma earnings per diluted share may vary due to our inability to control and further reduce operating costs, failure to achieve customer acceptance of key new design and entertainment applications, inability to successfully integrate new or acquired

businesses, and fluctuations in interest rates and 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 include the following: general market and business conditions, pricing pressure, failure to achieve 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. 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 July 31, 2001, which are on file with the Securities and Exchange Commission.

Autodesk will host a toll-free conference call at 800/633-8540 and an audio webcast on the third quarter results beginning at 5:00 p.m. Eastern Time at www.Autodesk.com/investor. An audio webcast replay will be available until December 1, 2001.

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

Three months ended October 31	2001	2000
Net revenues	\$216,357,000	\$229,177,000
Net income(1)	\$ 21,471,000	\$ 18,511,000
Pro forma net income(2)	\$ 20,751,000	\$ 21,857,000
Diluted net income per share(1)	\$0.38	\$0.32
Pro forma diluted net income per share(2)	\$0.37	\$0.38

(1) Net income for the quarter ended October 31, 2001, includes nonrecurring charges of \$7.3 million or \$0.13 per diluted share and a one-time gain on disposal of affiliate of \$9.5 million or \$0.17 per diluted share.

(2) Pro forma results for the quarter ended October 31, 2001, exclude amortization of goodwill and purchased intangibles of \$5.2 million or \$0.09 per diluted share, nonrecurring charges of \$7.3 million or \$0.13 per diluted share, and a one-time gain on disposal of affiliate of \$9.5 million or \$0.17 per diluted share. Pro forma results for the quarter ended October 31, 2000, exclude amortization of goodwill and purchased intangibles of \$5.9 million or \$0.10 per diluted share and nonrecurring credits of \$0.4 million or \$0.01 per diluted share.

Nine months ended October 31	2001	2000
Net revenues	\$693,457,000	\$693,277,000
Net income(3)	\$ 68,544,000	\$ 64,870,000
Pro forma net income(4)	\$ 81,954,000	\$ 77,346,000
Diluted net income per share(3)	\$1.23	\$1.09
Pro forma diluted net income per share(4)	\$1.47	\$1.30

(3) Net income for the nine months ended October 31, 2001, includes nonrecurring charges of \$17.1 million or \$0.31 per diluted share and a one-time gain on disposal of affiliate of \$9.5 million or \$0.17 per diluted share.

(4) Pro forma results for the nine months ended October 31, 2001, exclude amortization of goodwill and purchased intangibles, nonrecurring charges and a one-time gain on disposal of affiliate that netted to \$23.3 million or \$0.42 per diluted share. Pro forma results for the nine months ended October 31, 2000, exclude amortization of goodwill and purchased intangibles and nonrecurring credits that netted to \$19.7 million or \$0.33 per diluted share.

About Autodesk

Autodesk is the world's leading design software and digital content company. 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. Discreet(TM) product information is available at 800/869-3504 or via the Web at www.discreet.com.

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Autodesk, Inc.
Pro Forma Consolidated Statements of Operations
(In thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	October 31,		October 31,	
	2001	2000	2001	2000
	(Unaudited)		(Unaudited)	
Net revenues	\$216,357	\$229,177	\$693,457	\$693,277
Costs and expenses:				
Cost of revenues	37,799	37,956	109,717	113,891
Marketing and sales	81,109	81,234	254,666	235,701
Research and development	39,637	42,658	129,379	125,185
General and administrative	32,492	32,387	98,131	97,315
Total costs & expenses, excluding amortization of goodwill and purchased intangibles and nonrecurring charges and credits	191,037	194,235	591,893	572,092
Income from operations	25,320	34,942	101,564	121,185
Interest and other income, net	4,325	6,372	17,313	13,646
Income before income taxes, excluding gain on disposal of affiliate	29,645	41,314	118,877	134,831
Provision for income taxes	(8,894)	(13,561)	(35,712)	(44,030)
Equity in net loss of affiliate	--	(5,896)	(1,211)	(13,455)
Net income	\$ 20,751	\$ 21,857	\$ 81,954	\$ 77,346
Basic net income per share	\$ 0.38	\$ 0.39	\$ 1.52	\$ 1.34
Diluted net income per share	\$ 0.37	\$ 0.38	\$ 1.47	\$ 1.30
Shares used in computing basic net income per share	54,370	56,681	54,093	57,825
Shares used in computing diluted net income per share	56,010	57,073	55,751	59,319

Autodesk, Inc.
Consolidated Statements of Operations
(In thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	October 31,		October 31,	
	2001	2000	2001	2000
	(Unaudited)		(Unaudited)	
Net revenues	\$216,357	\$229,177	\$693,457	\$693,277
Costs and expenses:				
Cost of revenues	37,799	37,956	109,717	113,891
Marketing and sales	81,109	81,234	254,666	235,701
Research and development	39,637	42,658	129,379	125,185
General and administrative	32,492	32,387	98,131	97,315
Amortization of goodwill and purchased intangibles	5,198	5,856	15,679	20,916
Nonrecurring charges				

(credits)	7,290	(434)	17,064	(1,234)
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	203,525	199,657	624,636	591,774
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Income from operations	12,832	29,520	68,821	101,503
Interest and other income, net	4,325	6,372	17,313	13,646
Gain on disposal of affiliate	9,461	0	9,461	0
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Income before income taxes	26,618	35,892	95,595	115,149
Provision for income taxes	(5,147)	(11,485)	(25,840)	(36,824)
Equity in net loss of affiliate	--	(5,896)	(1,211)	(13,455)
	-----	-----	-----	-----
Net income	\$ 21,471	\$ 18,511	\$ 68,544	\$ 64,870
	=====	=====	=====	=====
Basic net income per share	\$ 0.39	\$ 0.33	\$ 1.27	\$ 1.12
	=====	=====	=====	=====
Diluted net income per share	\$ 0.38	\$ 0.32	\$ 1.23	\$ 1.09
	=====	=====	=====	=====
Shares used in computing basic net income per share	54,370	56,681	54,093	57,825
	=====	=====	=====	=====
Shares used in computing diluted net income per share	56,010	57,073	55,751	59,319
	=====	=====	=====	=====

Autodesk, Inc.
Consolidated Balance Sheets
(In thousands)

	October 31, 2001	January 31, 2001
	-----	-----
	(Unaudited)	(Audited)
ASSETS:		
Current assets:		
Cash and cash equivalents	\$110,594	\$116,391
Marketable securities	141,936	142,961
Accounts receivable, net	141,438	157,422
Inventories	20,788	17,255
Deferred income taxes	29,694	26,696
Prepaid expenses and other current assets	39,151	30,596
	-----	-----
Total current assets	483,601	491,321
	-----	-----
Marketable securities	175,113	163,148
Computer equipment, furniture and leasehold improvements, at cost:		
Computer equipment and furniture	198,242	171,176
Leasehold improvements	29,942	27,145
Less accumulated depreciation	(158,509)	(144,325)
	-----	-----
Net computer equipment, furniture, and leasehold improvements	69,675	53,996
Purchased technologies and capitalized software, net	18,739	16,403
Goodwill, net	47,580	54,273
Deferred income taxes	47,136	18,242
Other assets	11,329	10,376
	-----	-----
	\$853,173	\$807,759
	=====	=====

LIABILITIES, MINORITY INTEREST & STOCKHOLDERS' EQUITY:

Current liabilities:		
Accounts payable	\$ 48,732	\$ 47,962
Accrued compensation	51,662	55,907
Accrued income taxes	103,805	97,109
Deferred revenues	59,900	50,993
Other accrued liabilities	96,810	81,942
	-----	-----
Total current liabilities	360,909	333,913
	-----	-----
Other liabilities	713	1,208
Minority interest	0	12,964
Stockholders' equity:		
Common stock and additional paid-in capital	433,777	424,652
Accumulated other comprehensive loss	(17,856)	(16,104)
Deferred compensation	(920)	(1,172)
Retained earnings	76,550	52,298
	-----	-----
Total stockholders' equity	491,551	459,674
	-----	-----
	\$853,173	\$807,759
	=====	=====

Fiscal Year 2002	QTR 1	QTR 2	QTR 3	QTR 4	YTD2002

Financial Statistics (in millions):					
Net Revenues	\$ 245.7	\$ 231.4	\$ 216.4		\$ 693.5
Gross Margin	85%	85%	83%		84%
Pro Forma Operating Expenses	\$ 167.2	\$ 161.8	\$ 153.2		\$ 482.2
Pro Forma Operating Margin	17%	15%	12%		15%
Pro Forma Net Income(1)	\$ 31.6	\$ 29.6	\$ 20.8		\$ 82.0
Pro Forma Earnings Per Share (diluted)	\$ 0.57	\$ 0.53	\$ 0.37		\$ 1.47
Total Cash and Marketable Securities	\$ 394.8	\$ 432.7	\$ 427.6		\$ 427.6
Days Sales Outstanding	55	52	50		
Revenue by Geography (in millions):					
Americas	\$ 99.9	\$ 116.2	\$ 99.7		\$ 315.8
Europe	\$ 78.1	\$ 59.5	\$ 66.4		\$ 204.0
Asia/Pacific	\$ 67.7	\$ 55.7	\$ 50.3		\$ 173.7
Revenue by Division (in millions):					
Design Solutions	\$ 196.6	\$ 191.7	\$ 179.6		\$ 567.9
Manufacturing	\$ 34.3	\$ 27.5	\$ 28.1		\$ 89.9
GIS	\$ 21.4	\$ 27.0	\$ 28.5		\$ 76.9
Building Industry (AEC)	\$ 17.7	\$ 18.4	\$ 18.6		\$ 54.7
Platform Group & Other	\$ 123.2	\$ 118.8	\$ 104.4		\$ 346.4
Discreet	\$ 49.1	\$ 39.7	\$ 36.8		\$ 125.6
AutoCAD Statistics:					
AutoCAD Units Sold	77,000	67,000	65,000		209,000
AutoCAD Upgrade Revenue (in millions)	\$ 17.0	\$ 54.7	\$ 36.6		\$ 108.3
Installed Base	2,852,000	2,919,000	2,984,000		2,984,000
Headcount:					
Headcount	3,539	3,554	3,654		3,654
Common Stock Statistics:					
Stock Outstanding (Pro Forma EPS Calculation-diluted)					
	55,687,000	55,710,000	56,010,000		55,751,000
Stock Repurchased	1,825,000	195,000	349,000		2,369,000
(1) Pro forma net income excludes amortization of goodwill and purchased intangibles, nonrecurring charges and credits, and the gain on disposal of affiliate that was recognized during the third					

quarter of fiscal 2002.

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