



Autodesk Reports Fourth Quarter Results; Company Exceeds Pro Forma Earnings Per Share Expectations by Ten Cents

February 21, 2002

SAN RAFAEL, Calif., Feb 21, 2002 (BUSINESS WIRE) -- Autodesk, Inc. (Nasdaq: ADSK), the world's leading design software and digital content company, today announced financial results for its fourth quarter and fiscal year ended January 31, 2002. The Company reported net revenues at the high end of fourth quarter guidance, and exceeded pro forma earnings per share expectations by ten cents.

Autodesk reported net revenues of \$254 million for the fourth quarter of fiscal year 2002. This revenue number is at the high end of the Company's revenue guidance range of between \$245 million and \$255 million for the fourth quarter. Net revenues for the year ended January 31, 2002 totaled \$947 million.

On a pro forma basis, as defined below, fourth quarter net income was \$37 million or \$0.65 per diluted share compared to \$32 million or \$0.57 per diluted share for the same quarter a year ago. Pro forma net income for the year ended January 31, 2002 was \$119 million or \$2.12 per diluted share compared to \$109 million or \$1.87 per diluted share for the prior year.

Fourth quarter net income was \$22 million or \$0.38 per diluted share. This compares to net income for the same quarter a year ago of \$28 million or \$0.51 per diluted share. Net income for the year ended January 31, 2002 was \$90 million or \$1.61 per diluted share compared to net income of \$93 million or \$1.59 per diluted share for the prior year.

"The fourth quarter and the year were about operational excellence and solid execution on our business model," said Carol Bartz, Autodesk chairman and CEO. "Despite a difficult economic environment, we have performed. We delivered the strongest family of vertical applications in our history, successfully launched our new subscription program, incorporated three acquisitions that further enhanced our diverse portfolio of assets, and strategically entered an adjacent market to provide location-based services to wireless operators and carriers. Our products, vision, and employees were put to the test and surpassed all expectations."

Fourth Quarter Highlights

- Solid geographic performances in the Americas and Europe led to outstanding sequential net revenue increases of 18% and 31% respectively.
- A 73% sequential increase in Inventor sales, validates the Company's manufacturing strategy - customers are moving to 3D. During the quarter, more than 12,500 commercial users were added.
- Design Solutions revenue jumped 24% sequentially to \$224 million for the quarter. This was fueled by strong growth in the Manufacturing, Building Industry and Geographic Information System Divisions.
- Our AutoCAD-related product upgrade revenue was \$84 million for the quarter. Not only did R14 customers move to AutoCAD 2002, but they also cross-graded in record numbers to AutoCAD 2002-based design applications in building design, manufacturing, civil engineering, and mapping. After the first three quarters of shipments, AutoCAD 2002 is tracking to prior product upgrade cycles.

FY'02 Highlights

- This was the year for Inventor. In its fifth release in just over two years on the market, Inventor is overtaking competitors in manufacturing markets around the world. Inventor commercial seats more than doubled last year.
- We shipped the AutoCAD 2002 family, arguably the strongest lineup of products. This contributed to net revenue of \$790 million, growth of 6%, for the Design Solutions Division.
- We introduced collaborative services, a key initiative, starting with the launch of Streamline for manufacturing. We then acquired Buzzsaw last August. The new building collaboration group closed the year with a growing base of construction and facilities management customers.
- Finally, we entered an adjacent market to provide location-based services to wireless operators and carriers. Autodesk Location Services landed key customers and partner relationships with Ericsson, Fiat, and Telecom Italia Mobile.

Related Announcement

Today we announced our intent to acquire Revit Technology Corporation, a Massachusetts-based developer of parametric model-based software for building design, construction and management for \$133 million in cash. Please refer to the Autodesk press release "Autodesk To Acquire Revit Technology Corporation."

Business Outlook

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

materially.

Revenue outlook:

- For fiscal year ended January 31, 2003, the Company expects net revenues to range between \$1.025 billion and \$1.045 billion.
- Net revenue for the first quarter of fiscal year 2003 is expected to range between \$240 million and \$250 million.

These revenue expectations are subject to a number of risks, including further slowing in the worldwide economies, especially in the entertainment sectors, failure to achieve further customer acceptance of the AutoCAD 2002 family of products, failure to grow new collaborative or location-based services or newly acquired products and businesses, and fluctuations in foreign currency.

Earnings per share outlook:

- Earnings per diluted share on a pro forma basis, excluding nonrecurring credits or charges as well as amortization of purchased intangibles, is expected to range between \$2.20 and \$2.30 per diluted share for the fiscal year ended January 31, 2003. This pro forma earnings guidance includes \$0.10 to \$0.12 dilution for the year related to today's announced planned acquisition of Revit Technology Corporation.
- For the first quarter of fiscal year 2003, 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 inability to control and further reduce operating costs, 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, delays in release of new products and services, failure to successfully integrate new or acquired businesses, changes in customer ordering patterns, failure to grow collaboration or location-based services. 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 October 31, 2001, which are on file with the Securities and Exchange Commission.

Autodesk will host a toll free conference call at 888-391-0100 and an audio webcast on the fourth quarter results beginning at 5:00 p.m. Eastern Time at www.Autodesk.com/investor. An audio webcast replay will be available until March 1, 2002.

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

Three months ended January 31	2002	2001
Net revenues	\$254,034,000	\$243,047,000
Net income (1)	\$ 21,769,000	\$ 28,363,000
Pro forma net income (2)	\$ 37,022,000	\$ 32,059,000
Diluted net income per share (1)	\$ 0.38	\$ 0.51
Pro forma diluted net income per share (2)	\$ 0.65	\$ 0.57

(1) Net income for the quarter ended January 31, 2002, includes nonrecurring charges of \$16.6 million or \$0.29 per diluted share.

(2) Pro forma results for the quarter ended January 31, 2002, exclude amortization of goodwill and purchased intangibles of \$5.2 million or \$0.09 per diluted share, and nonrecurring charges of \$16.6 million or \$0.29 per diluted share. 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.

Fiscal Year ended January 31	2002	2001
Net revenues	\$947,491,000	\$936,324,000
Net income (3)	\$ 90,313,000	\$ 93,233,000
Pro forma net income (4)	\$118,976,000	\$109,405,000
Diluted net income per share (3)	\$ 1.61	\$ 1.59
Pro forma diluted net income per share (4)	\$ 2.12	\$ 1.87

(3) Net income for the year ended January 31, 2002, includes nonrecurring charges of \$33.6 million or \$0.60 per diluted share, and a one-time gain on disposal of affiliate of \$9.5 million or \$0.17 per diluted share. Net income for the year ended January 31,

2001 included nonrecurring credits of \$1.2 million or \$0.02 per diluted share.

- (4) Pro forma results for the year ended January 31, 2002, exclude amortization of goodwill and purchased intangibles of \$20.9 million or \$0.37 per diluted share, nonrecurring charges of \$33.6 million or \$0.60 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 year ended January 31, 2001 exclude amortization of goodwill and purchased intangibles of \$26.5 million or \$0.45 per diluted share and nonrecurring credits of \$1.2 million or \$0.02 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
(See pro forma adjustments listed in the table below)
(In thousands, except per share data)

	Three Months Ended		Year Ended	
	January 31,		January 31,	
	2002	2001	2002	2001
	-----		-----	
	(Unaudited)		(Unaudited)	
Net revenues	\$ 254,034	\$ 243,047	\$ 947,491	\$ 936,324
Costs and expenses:				
Cost of revenues	41,486	36,307	151,203	150,198
Marketing and sales	88,842	82,105	343,508	317,806
Research and development	39,195	45,302	168,574	170,487
General and administrative	33,368	35,209	131,499	132,524
	-----	-----	-----	-----
	202,891	198,923	794,784	771,015
	-----	-----	-----	-----
Income from operations	51,143	44,124	152,707	165,309
Interest and other income, net	1,745	7,402	19,058	21,048
	-----	-----	-----	-----
Income before income taxes	52,888	51,526	171,765	186,357
Provision for income taxes	(15,866)	(16,633)	(51,578)	(60,663)
Equity in net loss of affiliate	--	(2,834)	(1,211)	(16,289)
	-----	-----	-----	-----
Pro forma net income	\$ 37,022	\$ 32,059	\$ 118,976	\$ 109,405
	=====	=====	=====	=====
Basic pro forma net income per share	\$ 0.67	\$ 0.58	\$ 2.19	\$ 1.91
	=====	=====	=====	=====
Diluted pro forma net income per share	\$ 0.65	\$ 0.57	\$ 2.12	\$ 1.87
	=====	=====	=====	=====
Shares used in computing basic pro forma net income per share	55,191	55,270	54,408	57,188
	=====	=====	=====	=====
Shares used in computing diluted pro forma net income per share	57,214	56,144	56,138	58,514
	=====	=====	=====	=====

The above pro forma amounts have been adjusted to exclude the following items:

Amortization of goodwill and purchased intangibles	\$ 5,224	\$ 5,613	\$ 20,903	\$ 26,529
Nonrecurring charges(a) (credits)	16,566	--	33,630	(1,234)
Gain on disposal of affiliate	--	--	(9,461)	--
Income tax effect	(6,537)	(1,917)	(16,409)	(9,123)
	-----	-----	-----	-----
Net difference between actual and pro forma net income	\$ 15,253	\$ 3,696	\$ 28,663	\$ 16,172
	=====	=====	=====	=====

(a) Nonrecurring charges generally consist of restructuring related costs and acquisition-related amounts associated with in-process research and development.

Autodesk, Inc.

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

	Three Months Ended		Year Ended	
	January 31,		January 31,	
	2002	2001	2002	2001
	-----		-----	
	(Unaudited)		(Audited)	
Net revenues	\$ 254,034	\$ 243,047	\$ 947,491	\$ 936,324
Costs and expenses:				
Cost of revenues	41,486	36,307	151,203	150,198
Marketing and sales	88,842	82,105	343,508	317,806
Research and development	39,195	45,302	168,574	170,487
General and administrative	33,368	35,209	131,499	132,524
Amortization of goodwill and purchased intangibles	5,224	5,613	20,903	26,529
Nonrecurring charges (credits)	16,566	--	33,630	(1,234)
	-----	-----	-----	-----
	224,681	204,536	849,317	796,310
	-----	-----	-----	-----
Income from operations	29,353	38,511	98,174	140,014
Interest and other income, net	1,745	7,402	19,058	21,048
Gain on disposal of affiliate	--	--	9,461	--
	-----	-----	-----	-----
Income before income taxes	31,098	45,913	126,693	161,062
Provision for income taxes	(9,329)	(14,716)	(35,169)	(51,540)
Equity in net loss of affiliate	--	(2,834)	(1,211)	(16,289)
	-----	-----	-----	-----
Net income	\$ 21,769	\$ 28,363	\$ 90,313	\$ 93,233
	=====	=====	=====	=====
Basic net income per share	\$ 0.39	\$ 0.51	\$ 1.66	\$ 1.63
	=====	=====	=====	=====
Diluted net income per share	\$ 0.38	\$ 0.51	\$ 1.61	\$ 1.59
	=====	=====	=====	=====
Shares used in computing basic net income per share	55,191	55,270	54,408	57,188
	=====	=====	=====	=====
Shares used in computing diluted net income per share	57,214	56,144	56,138	58,514
	=====	=====	=====	=====

Autodesk, Inc.

Consolidated Balance Sheets

(In thousands)

	January 31, 2002	January 31, 2001
	-----	-----
	(Audited)	(Audited)
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 136,781	\$ 116,391
Marketable securities	201,030	142,961
Accounts receivable, net	140,465	157,422
Inventories	17,999	17,255
Deferred income taxes	31,477	26,696
Prepaid expenses and other current assets	36,118	30,596
	-----	-----
Total current assets	563,870	491,321
	-----	-----
Marketable securities	166,800	163,148
Computer equipment, software, furniture and leasehold improvements, at cost:		
Computer equipment, software and furniture	200,568	171,176
Leasehold improvements	29,652	27,145
Less accumulated depreciation	(157,400)	(144,325)
	-----	-----
Net	72,820	53,996
Purchased technologies and capitalized software, net	19,336	16,403
Goodwill, net	39,987	54,273
Deferred income taxes	29,459	18,242
Other assets	10,172	10,376
	-----	-----
	\$ 902,444	\$ 807,759
	=====	=====
LIABILITIES, MINORITY INTEREST & STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	\$ 53,769	\$ 47,962
Accrued compensation	57,540	55,907
Accrued income taxes	91,922	97,109
Deferred revenues	65,474	50,993
Other accrued liabilities	101,946	81,942
	-----	-----
Total current liabilities	370,651	333,913
	-----	-----
Other liabilities	2,479	1,208
Minority interest	0	12,964
Stockholders' equity:		
Common stock and additional paid-in capital	458,135	424,652
Accumulated other comprehensive loss	(19,972)	(16,104)
Deferred compensation	(713)	(1,172)
Retained earnings	91,864	52,298
	-----	-----
Total stockholders' equity	529,314	459,674
	-----	-----
	\$ 902,444	\$ 807,759
	=====	=====

Autodesk					
Fiscal Year 2002	QTR 1	QTR 2	QTR 3	QTR 4	YTD2002
Financial Statistics					
(in millions):					
Net Revenues	\$ 245.7	\$ 231.4	\$ 216.4	\$ 254.0	\$ 947.5
Gross Margin	85%	85%	83%	84%	84%

Pro Forma Operating Expenses	\$ 167.2	\$ 161.8	\$ 153.2	\$ 161.4	\$ 643.6
Pro Forma Operating Margin	17%	15%	12%	20%	16%
Pro Forma Net Income	\$ 31.6	\$ 29.6	\$ 20.8	\$ 37.0	\$ 119.0
Pro Forma Earnings Per Share (diluted)	\$ 0.57	\$ 0.53	\$ 0.37	\$ 0.65	\$ 2.12
Total Cash and Marketable Securities	\$ 394.8	\$ 432.7	\$ 427.6	\$ 504.6	\$ 504.6
Days Sales Outstanding	50	52	50	50	
Revenue by Geography (in millions):					
Americas	\$ 99.9	\$ 116.2	\$ 99.7	\$ 117.9	\$ 433.7
Europe	\$ 78.1	\$ 59.5	\$ 66.4	\$ 86.9	\$ 290.9
Asia/Pacific	\$ 67.7	\$ 55.7	\$ 50.3	\$ 49.2	\$ 222.9
Revenue by Division (in millions):					
Design Solutions	\$ 196.6	\$ 191.7	\$ 179.6	\$ 223.5	\$ 791.4
Manufacturing	\$ 34.3	\$ 27.5	\$ 28.1	\$ 40.3	\$ 130.2
GIS	\$ 21.4	\$ 27.0	\$ 28.5	\$ 39.5	\$ 116.4
Building Industry (AEC)	\$ 17.7	\$ 18.4	\$ 18.6	\$ 28.2	\$ 82.9
Platform Group & Other	\$ 123.2	\$ 118.8	\$ 104.4	\$ 115.5	\$ 461.9
Discreet	\$ 49.1	\$ 39.7	\$ 36.8	\$ 30.5	\$ 156.1
AutoCAD Statistics:					
AutoCAD Units Sold	77,000	67,000	65,000	62,000	271,000
AutoCAD Upgrade Revenue (in millions)	\$ 17.0	\$ 54.7	\$ 36.6	\$ 84.5	\$ 192.8
Installed Base	2,852,000	2,919,000	2,984,000	3,046,000	3,046,000
Headcount:					
Headcount	3,539	3,554	3,654	3,646	3,646
Common Stock Statistics:					
Stock Outstanding (Pro Forma EPS Calculation-diluted)	55,687,000	55,710,000	56,010,000	57,214,000	56,138,000
Stock Repurchased	1,825,000	195,000	349,000	262,500	2,631,500

CONTACT: Autodesk
Investor:
Steve Cakebread, 415/507-6587
steve.cakebread@autodesk.com
Misty Ohmart, 415/507-6208
misty.ohmart@autodesk.com
Media:
Nicole Pack, 415/507-6282
nicole.pack@autodesk.com

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