

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 24, 1999

Autodesk, Inc.

(Exact name of registrant as specified in its charter)

Delaware

0-14338

94-2819853

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

111 McInnis Parkway, San Rafael, California

94903

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (415) 507-5000

(Former name or former address, if changed since last report)

Item 5. Other Events.

On January 18, 1999, the Registrant, Autodesk Development B.V. ("Dutchco"), 9066-9771 Quebec Inc., Autodesk Canada Inc., 9066-9854 Quebec Inc. and Discreet Logic Inc. ("Discreet") entered into Amendment No. 2 to the Second Amended and Restated Agreement and Plan of Acquisition and Amalgamation (the "Second Amendment"). The Second Amendment further amends the original acquisition agreement entered into by and among the parties on August 20, 1998, as subsequently amended and restated on September 23, 1998, as subsequently amended and restated on November 18, 1998, and as subsequently amended on December 18, 1998 (the "Original Agreement"). Pursuant to the Second Amendment, among other things, Dutchco, an indirect wholly owned subsidiary of the Registrant, ultimately will exchange 0.33 shares of the Registrant's common stock, par value \$0.01 per share ("Autodesk Common Stock"), for each outstanding common share of Discreet, no par value per share (each a "Discreet Common Share"), which reduces the previously announced exchange ratio of 0.48 shares of Autodesk Common Stock for each Discreet Common Share. In addition, the Second Amendment provides for the extension of certain dates under the Original Agreement.

The acquisition by the Registrant of Discreet is expected to be accounted for as a pooling-of-interests and its consummation is subject to a number of conditions specified in the Original Agreement, as amended, including approval of the Registrant's stockholders and Discreet's shareholders. The Second Amendment and the Registrant's press release announcing the Second Amendment are filed as exhibits to this Report.

Item 7. Financial Statements and Exhibits.

(a) Financial statements of businesses acquired. Not applicable.

(b) Pro forma financial information. Not applicable.

(c) Exhibits.

99.1 Press release of the Registrant dated February 24, 1999.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 26, 1999 AUTODESK, INC.

/s/ Steve Cakebread

Steve Cakebread
Vice President and Chief Financial Officer
(Principal Financial Officer)

INDEX TO EXHIBITS

Exhibit Number -----	Description of Document -----
99.1	Press release of the Registrant dated February 24, 1999.

FOR RELEASE 1:15 PST

Contacts:

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AUTODESK REPORTS RECORD FOURTH QUARTER AND YEAR-END REVENUES

SAN RAFAEL, CA. - February 24, 1999 -- Autodesk, Inc. today announced financial results for its fourth quarter and fiscal year ended January 31, 1999. For the fourth quarter of fiscal year 1999, Autodesk reported record net revenue of \$189.1 million versus \$181.8 million for the same quarter a year ago. Net revenue for fiscal year 1999 also hit a record at \$740.2 million, an increase of 20 percent over the revenue last year.

For the fourth quarter of fiscal 1999 net income was \$25.1 million, or \$0.50 per share on a diluted basis, including the impact of the revaluation of in-process research and development charges from the acquisitions of Softdesk and Genius, and the incremental amortization of the associated goodwill and intangible assets. Excluding these costs, net income for the fourth quarter of fiscal year 1999 was \$26.7 million, or diluted earnings per share of \$0.54.

Net income for fiscal year 1999 was \$90.6 million, and resulted in \$1.85 per share on a diluted basis, including non-recurring charges as well as incremental amortization of goodwill and intangible assets from prior acquisitions. Excluding these costs, net income for fiscal year 1999 was \$102.5 million, or \$2.10 per share on a diluted basis.

All vertical design markets posted record revenues during fiscal year 1999, with sales more than doubling over the previous fiscal year. Driven by strong demand for Mechanical Desktop and Genius products, the MCAD group led the performance of the vertical markets, with sales increasing 185 percent year over year. AEC revenues increased over 50 percent for the year, fueled by strong performance from Architectural

Desktop and Land Development Desktop. The success of the GIS product family continued, with sales nearly doubling over the prior year.

The Personal Solutions Group and Kinetix(R) also reported record results for fiscal year 1999, driven by strong demand for AutoCAD LT(R), 3D Studio MAX(R) and 3D Studio VIZ(R). The AutoCAD(R) brand remained strong throughout the year, with both new seat and upgrade revenues increasing over the previous year.

"We are proud to have achieved revenue growth of 20 percent or better for the second consecutive year," said Carol Bartz, CEO of Autodesk. "Our goal was to expand our product line with vertical solutions that satisfy the design needs of our customers. We have achieved this goal, and Autodesk now provides families of products that can solve nearly any design problem -- ranging from simple diagramming to complex 3D visualization. No other single company can provide such a complete set of design tools."

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

Three months ended January 31	1999	1998 (restated)
Net revenues	\$189,145,000	\$181,851,000
Net income	\$ 25,133,000	\$ 27,490,000
Basic net income per share	\$ 0.53	\$ 0.60
Diluted net income per share (1)	\$ 0.50	\$ 0.56

Fiscal year ended January 31	1999	1998 (restated)
Net revenues	\$740,167,000	\$617,126,000
Net income	\$ 90,639,000	\$ 45,171,000
Basic net income per share	\$ 1.94	\$ 0.97
Diluted net income per share (2)	\$ 1.85	\$ 0.91

(1) Results for the fourth quarter of fiscal year 1999 include incremental amortization related to the revaluation of in-process research and development of approximately \$0.04 per share on a diluted basis. Results for the fourth quarter of fiscal year 1998 include incremental amortization related to the revaluation of in-process research and development of approximately \$0.03 per share on a diluted basis.

(2) Results for the 12-month period ended January 31, 1999, include non-recurring charges as well as incremental amortization related to the revaluation of in-process research and development of approximately \$0.25 per share on a diluted basis. Results for the 12-month period ended January 31, 1998,

include non-recurring charges as well as incremental amortization related to the revaluation of in-process research and development of approximately \$0.53 per share on a diluted basis.

About Autodesk

Autodesk is the fourth largest PC software company in the world and the leading supplier of PC design software and multimedia tools. More than four million customers use the company's 2D and 3D products for architectural design, civil engineering design and surveying, mechanical design, geographic information systems and mapping, and through its Kinetix(R) division for film and video production, and video game and Web content development. For more information, contact any Authorized Autodesk Reseller, call Autodesk at 800-964-6432, or visit www.autodesk.com. Autodesk shares are traded on the Nasdaq national market under the symbol ADSK.

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Autodesk, the Autodesk logo, AutoCAD, Kinetix, Mechanical Desktop, AutoCAD LT, 3D Studio MAX, and 3D Studio VIZ are registered trademarks of Autodesk, Inc. in the United States and/or in certain other countries. All other brand names, product names, or trademarks are used solely for the purpose of identification and belong to their respective holders. (c) 1999 Autodesk, Inc.

Autodesk, Inc.
Consolidated Statement of Income

(In thousands, except per share data)

	Three Months Ended January 31,		Twelve Months Ended January 31,	
	1999 (Unaudited)	1998 (Unaudited) (Restated)	1999	1998 (Restated)
Net revenues	\$189,145	\$181,851	\$740,167	\$617,126
Costs and expenses:				
Cost of revenues	19,716	18,724	76,364	71,338
Marketing and sales	65,945	65,536	260,553	237,107
Research and development	35,037	31,347	142,806	122,432
General and administrative	32,904	24,516	123,622	88,900
Nonrecurring charges	-	-	21,985	22,187
Litigation accrual reversal	-	-	(18,200)	-
	153,602	140,123	607,130	541,964
Income from operations	35,543	41,728	133,037	75,162
Interest and other income, net	2,537	2,253	13,523	9,644
Income before income taxes	38,080	43,981	146,560	84,806
Provision for income taxes	12,947	16,491	55,921	39,635
Net income	\$ 25,133	\$ 27,490	\$ 90,639	\$ 45,171
Basic net income per share	\$0.53	\$0.60	\$1.94	\$0.97
Diluted net income per share	\$0.50	\$0.56	\$1.85	\$0.91
Shares used in computing basic net income per share	47,040	45,930	46,640	46,760
Shares used in computing diluted net income per share	49,880	48,840	48,910	49,860

AUTODESK, INC.

Consolidated Balance Sheet
(In thousands)

	January 31, 1999	January 31, 1998
		(Restated)
ASSETS:		
Current assets:		
Cash and cash equivalents	\$209,174	\$ 96,089
Marketable securities	102,756	100,399
Accounts receivable, net	91,847	60,856
Inventories	7,594	7,351
Deferred income taxes	20,323	27,577
Prepaid expenses and other current assets	18,795	15,430
Total current assets	450,489	307,702
Marketable securities	66,265	104,831
Computer equipment, furniture and leasehold improvements, at cost:		
Computer equipment and furniture	116,467	117,434
Leasehold improvements	22,947	20,505
Less accumulated depreciation	(99,747)	(98,800)
Net computer equipment, furniture, and leasehold improvements	39,667	39,139
Purchased technologies and capitalized software	30,559	33,373
Goodwill	70,348	44,982
Deferred income taxes	11,417	13,782
Other assets	25,132	19,681
	\$693,877	\$563,490

LIABILITIES & STOCKHOLDERS' EQUITY:

Current liabilities:

Accounts payable	\$ 27,431	\$ 26,417
Accrued compensation	45,253	34,962
Accrued income taxes	91,085	76,465
Deferred revenues	17,349	18,934
Other accrued liabilities	50,481	42,709
Total current liabilities	231,599	199,487

Deferred income taxes	378	481
Litigation accrual	-	29,328
Other liabilities	1,658	1,255

Stockholders' equity:

Common stock	361,611	299,315
Accumulated other comprehensive income	(9,379)	(16,078)
Retained earnings	108,010	49,702

Total stockholders' equity	460,242	332,939
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	\$693,877	\$563,490
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