

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 8-K/A

Amendment No. 2

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported)

August 13, 2009

Autodesk, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

000-14338

(Commission File Number)

94-2819853

(IRS Employer
Identification No.)

**111 McInnis Parkway
San Rafael, California 94903**

(Address of principal executive offices, including zip code)

(415) 507-5000

(Registrant's telephone number, including area code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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EXPLANATORY NOTE

This Amendment No. 2 to Form 8-K (the "Amendment") is being filed to amend Item 9.01 of the Current Report on Form 8-K filed by Autodesk, Inc. (the "Company") on August 13, 2009, as amended on August 17, 2009 (the "Original Filing"). This amendment corrects the "Deferred Maintenance Revenue Balance" line item in the "QTR 1" column of the Fiscal Year 2010 Other Supplemental Financial Information sheets from \$458 million to \$469 million (note that overall deferred revenue balance of \$534 million for the quarter ended April 30, 2009 is correct and did not change in the Amendment). In all other respects, the information contained in the Original Filing, as amended, remains unchanged and is being provided in the Amendment for convenience only.

Item 2.02. Results of Operations and Financial Condition.

On August 13, 2009, Autodesk, Inc. ("Autodesk" or the "Company") issued a press release and prepared remarks reporting financial results for the second quarter ended July 31, 2009. The press release and prepared remarks are furnished herewith as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated herein by reference.

These exhibits shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Non-GAAP Financial Measures

To supplement Autodesk's consolidated financial statements presented on a GAAP basis, the press release and prepared remarks furnished herewith as Exhibit 99.1 and Exhibit 99.2, respectively, provide investors with certain non-GAAP measures, including but not limited to historical non-GAAP net earnings and historical and future non-GAAP net earnings per diluted share. For our internal budgeting and resource allocation process, Autodesk's management uses these non-GAAP measures that do not include: (a) the stock-based compensation impact of SFAS 123R, (b) amortization of purchased intangibles and purchases of technology, including in-process research and development, (c) goodwill impairment, (d) establishment of a valuation allowance on certain net deferred tax assets, (e) restructuring charges and (f) the income tax effects on the difference between GAAP and non-GAAP costs and expenses. Autodesk's management uses these non-GAAP measures in making operating decisions because we believe the measures provide meaningful supplemental information regarding Autodesk's earning potential. In addition, these non-GAAP financial measures facilitate comparisons to our and our competitors' historical results and operating guidance.

As described above, Autodesk excludes the following items from its non-GAAP measures:

A. Stock compensation impact of SFAS 123R. These expenses consist of expenses for employee stock-based compensation under SFAS 123R. Autodesk excludes stock-based compensation expenses from our non-GAAP measures primarily because they are non-cash expenses and management finds it useful to exclude certain non-cash charges to assess the appropriate level of various operating expenses to assist in budgeting, planning and forecasting future periods.

B. Amortization of purchased intangibles and in-process research and development expenses. Autodesk incurs amortization of acquisition-related purchased intangible assets and charges related to in-process research and development, primarily in connection with its acquisition of certain businesses and technologies. The amortization of purchased intangibles varies depending on the level of acquisition activity, and management finds it useful to exclude these variable charges to assess the appropriate level of various operating expenses to assist in budgeting, planning and forecasting future periods.

C. Goodwill impairment. This is a non-cash charge to write-down goodwill to fair value when there was an indication that the asset was impaired. As explained above, management finds it useful to exclude certain non-cash charges to assess the appropriate level of various operating expenses to assist in budgeting, planning and forecasting future periods.

D. Establishment of a valuation allowance on certain net deferred tax assets. This is a non-cash charge to record a valuation allowance on certain deferred tax assets. As explained above, management finds it useful to exclude certain non-cash charges to assess the appropriate level of various expenses to assist in budgeting, planning and forecasting future periods.

E. Restructuring charges. These expenses are associated with realigning our business strategies based on current economic conditions. In connection with these restructuring actions, we recognize costs related to termination benefits for former employees whose positions were eliminated, and the closure of facilities and cancelation of certain contracts. We exclude these charges because these expenses are not reflective of ongoing operating results in the current period.

F. *Income tax effects.* The income tax effects that are excluded from the non-GAAP measures relate to the tax impact on the difference between GAAP and non-GAAP costs and expenses, primarily due to differences in the timing of when income tax benefits are recognized for stock compensation and purchased intangibles for GAAP and non-GAAP measures.

There are limitations in using non-GAAP financial measures because the non-GAAP financial measures are not prepared in accordance with generally accepted accounting principles and may be different from non-GAAP financial measures used by other companies. In addition, the non-GAAP financial measures are limited in value because they exclude certain items that may have a material impact upon our reported financial results. Management compensates for these limitations by analyzing current and future results on a GAAP basis as well as a non-GAAP basis and also by providing GAAP measures in our earnings release and prepared remarks. The presentation of non-GAAP financial information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with generally accepted accounting principles in the United States. The non-GAAP financial measures are meant to supplement, and be viewed in conjunction with, GAAP financial measures. Investors should review the information regarding non-GAAP financial measures provided in our press release and prepared remarks.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated as of August 13, 2009, entitled "Autodesk Reports Second Quarter fiscal 2010 Financial Results."
99.2	Prepared Remarks dated as of August 13, 2009.

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.

AUTODESK, INC.

By: /s/ MARK J. HAWKINS

Mark J. Hawkins

Executive Vice President and Chief Financial Officer

Date: August 27, 2009

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated as of August 13, 2009, entitled "Autodesk Reports Second Quarter fiscal 2010 Financial Results."
99.2	Prepared Remarks dated as of August 13, 2009.

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AUTODESK REPORTS SECOND QUARTER FISCAL 2010 FINANCIAL RESULTS

SAN RAFAEL, Calif., August 13, 2009-- [Autodesk, Inc.](http://www.autodesk.com) (NASDAQ: ADSK) today reported financial results for the second quarter of fiscal 2010.

- Revenue was \$415 million, a decrease of three percent sequentially and 33 percent compared to the second quarter of fiscal 2009.
- GAAP diluted earnings per share were \$0.05, compared to a GAAP diluted loss per share of \$0.14 in the first quarter of fiscal 2010 and GAAP diluted earnings per share of \$0.39 in the second quarter of fiscal 2009.
- Non-GAAP diluted earnings per share were \$0.24, compared to \$0.18 per diluted share in the first quarter of fiscal 2010 and \$0.56 per diluted share in the second quarter of fiscal 2009. A reconciliation of the GAAP and non-GAAP results is provided in the tables within this press release.

“Revenue results for the quarter were in-line with our expectations and continue to reflect a challenging global business environment,” said [Carl Bass](#) , Autodesk president and CEO. “We are pleased with the progress we’ve made to increase our efficiency and reduce our overall cost structure and as a result, we increased our profitability on a sequential basis.”

Operational Overview

By geography, revenue in the Americas decreased 21 percent compared to the second quarter of fiscal 2009, to \$159 million. Americas revenue declined two percent sequentially. EMEA revenue was \$157 million, a decrease of 41 percent over the second quarter of fiscal 2009 as reported, and 32 percent on a constant currency basis. EMEA revenue declined six percent sequentially as reported. Revenue in Asia Pacific was \$99 million, a decrease of 34 percent over the second quarter of fiscal 2009 as reported and 35 percent on a constant currency basis. Revenue from Asia Pacific increased three percent sequentially as reported. Revenue from emerging economies was \$63 million, a decrease of 45 percent compared to the second quarter of fiscal 2009, and a six percent sequential increase as reported. Revenue from emerging economies represented 15 percent of total revenue.

Combined revenue from Autodesk's model-based 3D design solutions was \$124 million, a decrease of 25 percent compared to the second quarter of fiscal 2009 and a two percent sequential increase. Revenue from 2D horizontal and vertical products was \$194 million, a decrease of 38 percent compared to the second quarter of fiscal 2009 and six percent sequentially. Combined revenue from AutoCAD and AutoCAD LT declined 39 percent compared to the second quarter last year and seven percent sequentially.

Autodesk posted quarterly sequential revenue growth in several areas including emerging economies, revenue from our manufacturing business segment, revenue in Asia Pacific, revenue from our model-based 3D design solutions and revenue from 3D animation software. Autodesk has more than \$1 billion in cash and investments and no debt.

"The current business environment and general business visibility remain challenging," continued Bass. "However, we are encouraged by sequential revenue growth we posted in several areas and are beginning to see some positive indicators in our business."

Business Outlook

The following statements are forward-looking statements that are based on current expectations and which involve risks and uncertainties some of which are set forth below.

Third Quarter Fiscal 2010

Net revenue for the third quarter of fiscal 2010 is expected to be in the range of \$400 million and \$420 million. GAAP earnings per diluted share are expected to be in the range of \$0.04 and \$0.09. Non-GAAP earnings per diluted share are expected to be in the range of \$0.18 and \$0.23 and exclude \$0.07 related to stock-based compensation expense, \$0.05 for the amortization of acquisition related intangibles, and restructuring related charges of \$0.02.

Update on Spend Reduction Initiatives

Based on the progress the company made in the first half of fiscal 2010 with its expense reduction initiatives, Autodesk now anticipates nearly \$300 million in pre-tax cost savings in fiscal 2010 as compared to fiscal 2009.

Earnings Conference Call and Webcast

Autodesk will host its second quarter conference call today at 5:00 p.m. EDT. The live broadcast can be accessed at <http://www.autodesk.com/investors>. Supplemental financial information and prepared remarks for the conference call will be posted to the investor relations section of our website simultaneously with this press release.

NOTE: The prepared remarks will not be read on the conference call. The conference call will include only brief remarks followed by questions and answers.

A replay of the broadcast will be available at 7:00 pm EDT at <http://www.autodesk.com/investors>. This replay will be maintained on our website for at least twelve months.

Safe Harbor Statement

This press release contains forward-looking statements that involve risks and uncertainties, including statements in the paragraphs under “Business Outlook” above, statements regarding anticipated market and economic trends, cost savings, timing of certain charges and other statements regarding our expected strategies, market position, performance and results. Other factors that could cause actual results to differ materially include the following: general market, economic and business conditions, our performance in particular geographies, including emerging economies, the financial and business condition of our reseller and distribution channels, fluctuation in foreign currency exchange rates, failure to achieve planned cost reductions and productivity increases, slowing momentum in maintenance revenues, failure to achieve sufficient sell-through in our channels for new or existing products, pricing pressure, failure to achieve continued migration from 2D products to 3D products, difficulties encountered in integrating new or acquired businesses and technologies, the inability to identify and realize the anticipated benefits of acquisitions, unexpected fluctuations in our tax rate, the timing and degree of expected investments in growth opportunities, changes in the timing of product releases and retirements, failure of key new applications to achieve anticipated levels of customer acceptance, failure to achieve continued success in technology advancements, interruptions or terminations in the business of Autodesk consultants, and any unanticipated impact of accounting for acquisitions.

Further information on potential factors that could affect the financial results of Autodesk are included in Autodesk’s reports on Form 10-K for the year ended January 31, 2009 and Form 10-Q for the quarter ended April 30, 2009, which are on file with the U.S. Securities and Exchange Commission. Autodesk does not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

About Autodesk

Autodesk, Inc. is a world leader in 2D and 3D design software for the manufacturing, construction, and media and entertainment markets. Since its introduction of AutoCAD software in 1982, Autodesk has developed the broadest portfolio of state-of-the-art Digital Prototyping solutions to help customers experience their ideas before they are built. Fortune 1000 companies rely on Autodesk for the tools to visualize, simulate and analyze real-world performance early in the design process to save time and money, enhance quality and foster innovation. For additional information about Autodesk, visit www.autodesk.com.

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Autodesk, Inc.

Consolidated Statements of Operations

(In millions, except per share data)

	Three Months Ended		Six Months Ended	
	July 31,		July 31,	
	2009	2008	2009	2008
	(Unaudited)		(Unaudited)	
Net revenue:				
License and other	\$ 231.0	\$ 440.2	\$ 474.6	\$ 872.4
Maintenance	183.9	179.3	366.1	345.9
Total net revenue	414.9	619.5	840.7	1,218.3
Cost of license and other revenue				
	47.1	57.6	96.6	113.6
Cost of maintenance revenue				
	3.0	2.1	5.8	4.1
Total cost of revenue	50.1	59.7	102.4	117.7
Gross profit	364.8	559.8	738.3	1,100.6
Operating Expenses:				
Marketing and sales	176.4	230.2	360.3	455.7
Research and development	109.8	154.8	231.4	300.4
General and administrative	49.5	56.0	99.5	105.8
Impairment of goodwill	-	-	21.0	-
Restructuring charges	26.4	-	42.9	-
Total operating expenses	362.1	441.0	755.1	861.9
Income (loss) from operations	2.7	118.8	(16.8)	238.7
Interest and other income, net	10.7	6.3	10.7	13.2
Income (loss) before income taxes	13.4	125.1	(6.1)	251.9
Provision for income taxes	(2.9)	(35.3)	(15.6)	(67.5)
Net income (loss)	\$ 10.5	\$ 89.8	\$ (21.7)	\$ 184.4
Basic net income (loss) per share	\$ 0.05	\$ 0.40	\$ (0.09)	\$ 0.82
Diluted net income (loss) per share	\$ 0.05	\$ 0.39	\$ (0.09)	\$ 0.80
Shares used in computing basic net income (loss) per share				
	228.9	224.2	228.0	225.2
Shares used in computing diluted net income (loss) per share				
	232.3	231.1	228.0	232.1

Autodesk, Inc.

Condensed Consolidated Balance Sheets

(In millions)

	July 31, 2009 <u>(Unaudited)</u>	January 31, 2009 <u></u>
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 668.5	\$ 917.6
Marketable securities	267.9	63.5
Accounts receivable, net	223.9	316.5
Deferred income taxes	48.3	31.1
Prepaid expenses and other current assets	58.7	59.3
Total current assets	<u>1,267.3</u>	<u>1,388.0</u>
Marketable securities	92.3	7.6
Computer equipment, software, furniture and leasehold improvements, net	118.3	120.6
Purchased technologies, net	96.7	113.3
Goodwill	525.5	542.5
Long term deferred income taxes, net	92.7	125.7
Other assets	118.3	123.0
	<u>\$ 2,311.1</u>	<u>\$ 2,420.7</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	\$ 56.7	\$ 62.4
Accrued compensation	88.4	124.3
Accrued income taxes	17.9	16.7
Deferred revenue	424.4	438.8
Borrowings under line of credit	-	52.1
Other accrued liabilities	74.3	105.8
Total current liabilities	<u>661.7</u>	<u>800.1</u>
Deferred revenue	77.5	113.3
Long term income taxes payable	122.5	116.9
Long term deferred income taxes	-	22.7
Other liabilities	64.3	57.0
Commitments and contingencies		
Stockholders' equity:		
Preferred stock	-	-
Common stock and additional paid-in capital	1,166.6	1,080.4
Accumulated other comprehensive loss	(1.4)	(11.2)
Retained earnings	219.9	241.5
Total stockholders' equity	<u>1,385.1</u>	<u>1,310.7</u>
	<u>\$ 2,311.1</u>	<u>\$ 2,420.7</u>

Autodesk, Inc.

Condensed Consolidated Statements of Cash Flows

(In millions)

	Six Months Ended	
	July 31,	
	2009	2008
	(Unaudited)	
Operating Activities		
Net income (loss)	\$ (21.7)	\$ 184.4
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	55.5	39.1
Stock-based compensation expense	44.4	48.4
Impairment of goodwill	21.0	-
Restructuring related charges, net	42.9	-
Gain on disposition of assets	(2.3)	-
Charge for acquired in-process research and development	-	16.8
Changes in operating assets and liabilities, net of business combinations	(65.3)	111.6
Net cash provided by operating activities	<u>74.5</u>	<u>400.3</u>
Investing Activities		
Purchases of marketable securities	(298.2)	(5.6)
Sales of marketable securities	1.4	4.7
Maturities of marketable securities	14.3	-
Capital expenditures	(24.3)	(39.9)
Purchase of equity investment	(10.0)	-
Business combinations, net of cash acquired	-	(263.9)
Net cash used in investing activities	<u>(316.8)</u>	<u>(304.7)</u>
Financing activities		
Draws on line of credit	2.2	690.0
Repayments of line of credit	(54.3)	(570.0)
Proceeds from issuance of common stock, net of issuance costs	44.1	50.1
Repurchases of common stock	-	(256.6)
Net cash used in financing activities	<u>(8.0)</u>	<u>(86.5)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>1.2</u>	<u>2.6</u>
Net increase (decrease) in cash and cash equivalents	(249.1)	11.7
Cash and cash equivalents at beginning of fiscal year	917.6	917.9
Cash and cash equivalents at end of period	<u>\$ 668.5</u>	<u>\$ 929.6</u>

Autodesk, Inc.

Reconciliation of GAAP financial measures to non-GAAP financial measures

(In millions, except per share data)

To supplement our consolidated financial statements presented on a GAAP basis, Autodesk provides investors with certain non-GAAP measures including non-GAAP net income, non-GAAP net income per share, non-GAAP cost of license and other revenue, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP income from operations, non-GAAP interest and other income, net and non-GAAP provision for income taxes. These non-GAAP financial measures are adjusted to exclude certain costs, expenses, gains and losses, including stock-based compensation expense, amortization of purchased intangibles, in-process research and development expenses, restructuring charges, goodwill impairment, establishment of a valuation allowance on certain deferred tax assets and related income tax expenses. See our reconciliation of GAAP financial measures to non-GAAP financial measures herein. We believe these exclusions are appropriate to enhance an overall understanding of our past financial performance and also our prospects for the future, as well as to facilitate comparisons with our historical operating results. These adjustments to our GAAP results are made with the intent of providing both management and investors a more complete understanding of Autodesk's underlying operational results and trends and our marketplace performance. For example, the non-GAAP results are an indication of our baseline performance before gains, losses or other charges that are considered by management to be outside our core operating results. In addition, these non-GAAP financial measures are among the primary indicators management uses as a basis for our planning and forecasting of future periods.

There are limitations in using non-GAAP financial measures because the non-GAAP financial measures are not prepared in accordance with generally accepted accounting principles and may be different from non-GAAP financial measures used by other companies. The non-GAAP financial measures are limited in value because they exclude certain items that may have a material impact upon our reported financial results. The presentation of this additional information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with generally accepted accounting principles in the United States. Investors should review the reconciliation of the non-GAAP financial measures to their most directly comparable GAAP financial measures as provided in the tables accompanying this press release.

The following table shows Autodesk's non-GAAP results reconciled to GAAP results included in this release.

	Three Months Ended		Six Months Ended	
	July 31,		July 31,	
	2009	2008	2009	2008
	(Unaudited)		(Unaudited)	
GAAP cost of license and other revenue	\$ 47.1	\$ 57.6	\$ 96.6	\$ 113.6
SFAS 123R stock-based compensation expense	(0.7)	(1.1)	(1.3)	(2.1)
Amortization of developed technology	(8.3)	(5.3)	(16.6)	(8.8)
Non-GAAP cost of license and other revenue	\$ 38.1	\$ 51.2	\$ 78.7	\$ 102.7
GAAP gross margin	\$ 364.8	\$ 559.8	\$ 738.3	\$ 1,100.6
SFAS 123R stock-based compensation expense	0.7	1.1	1.3	2.1
Amortization of developed technology	8.3	5.3	16.6	8.8
Non-GAAP gross margin	\$ 373.8	\$ 566.2	\$ 756.2	\$ 1,111.5
GAAP marketing and sales	\$ 176.4	\$ 230.2	\$ 360.3	\$ 455.7
SFAS 123R stock-based compensation expense	(9.5)	(10.0)	(19.0)	(20.5)
Non-GAAP marketing and sales	\$ 166.9	\$ 220.2	\$ 341.3	\$ 435.2
GAAP research and development	\$ 109.8	\$ 154.8	\$ 231.4	\$ 300.4
SFAS 123R stock-based compensation expense	(7.0)	(7.7)	(14.2)	(16.1)
In-process research and development	-	(16.8)	-	(16.8)
Non-GAAP research and development	\$ 102.8	\$ 130.3	\$ 217.2	\$ 267.5
GAAP general and administrative	\$ 49.5	\$ 56.0	\$ 99.5	\$ 105.8
SFAS 123R stock-based compensation expense	(4.0)	(4.4)	(9.9)	(9.7)
Amortization of customer relationships and trademarks	(6.7)	(6.4)	(13.1)	(9.3)
Non-GAAP general and administrative	\$ 38.8	\$ 45.2	\$ 76.5	\$ 86.8

GAAP impairment of goodwill	\$ -	\$ -	\$ 21.0	\$ -
Impairment of goodwill	-	-	(21.0)	-
Non-GAAP impairment of goodwill	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
GAAP restructuring charges	\$ 26.4	\$ -	\$ 42.9	\$ -
Restructuring charges	(26.4)	-	(42.9)	-
Non-GAAP restructuring charges	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
GAAP operating expenses	\$ 362.1	\$ 441.0	\$ 755.1	\$ 861.9
SFAS 123R stock-based compensation expense	(20.5)	(22.1)	(43.1)	(46.3)
Amortization of customer relationships and trademarks	(6.7)	(6.4)	(13.1)	(9.3)
In-process research and development	-	(16.8)	-	(16.8)
Impairment of goodwill	-	-	(21.0)	-
Restructuring charges	(26.4)	-	(42.9)	-
Non-GAAP operating expenses	<u>\$ 308.5</u>	<u>\$ 395.7</u>	<u>\$ 635.0</u>	<u>\$ 789.5</u>
GAAP income (loss) from operations	\$ 2.7	\$ 118.8	\$ (16.8)	\$ 238.7
SFAS 123R stock-based compensation expense	21.2	23.2	44.4	48.4
Amortization of developed technology	8.3	5.3	16.6	8.8
Amortization of customer relationships and trademarks	6.7	6.4	13.1	9.3
In-process research and development	-	16.8	-	16.8
Impairment of goodwill	-	-	21.0	-
Restructuring charges	26.4	-	42.9	-
Non-GAAP income from operations	<u>\$ 65.3</u>	<u>\$ 170.5</u>	<u>\$ 121.2</u>	<u>\$ 322.0</u>
GAAP provision for income taxes	\$ (2.9)	\$ (35.3)	\$ (15.6)	\$ (67.5)
Establishment of valuation allowance on deferred tax assets	-	-	21.0	-
Income tax effect on difference between GAAP and non- GAAP total costs and expenses at a normalized rate	(16.4)	(11.2)	(38.7)	(20.3)
Non-GAAP provision for income tax	<u>\$ (19.3)</u>	<u>\$ (46.5)</u>	<u>\$ (33.3)</u>	<u>\$ (87.8)</u>
GAAP net income (loss)	\$ 10.5	\$ 89.8	\$ (21.7)	\$ 184.4
SFAS 123R stock-based compensation expense	21.2	23.2	44.4	48.4
Amortization of developed technology	8.3	5.3	16.6	8.8
Amortization of customer relationships and trademarks	6.7	6.4	13.1	9.3
In-process research and development	-	16.8	-	16.8
Impairment of goodwill	-	-	21.0	-
Restructuring charges	26.4	-	42.9	-
Establishment of valuation allowance on deferred tax assets	-	-	21.0	-
Income tax effect on difference between GAAP and non- GAAP total costs and expenses at a normalized rate	(16.4)	(11.2)	(38.7)	(20.3)
Non-GAAP net income	<u>\$ 56.7</u>	<u>\$ 130.3</u>	<u>\$ 98.6</u>	<u>\$ 247.4</u>
GAAP diluted net income (loss) per share	\$ 0.05	\$ 0.39	\$ (0.09)	\$ 0.80
SFAS 123R stock-based compensation expense	0.09	0.10	0.19	0.21
Amortization of developed technology	0.03	0.02	0.07	0.03
Amortization of customer relationships and trademarks	0.03	0.03	0.06	0.04
In-process research and development	-	0.07	-	0.07
Impairment of goodwill	-	-	0.09	-
Restructuring charges	0.11	-	0.18	-
Establishment of valuation allowance on deferred tax assets	-	-	0.09	-
Income tax effect on difference between GAAP and non- GAAP total costs and expenses at a normalized rate	(0.07)	(0.05)	(0.17)	(0.09)
Non-GAAP diluted net income per share	<u>\$ 0.24</u>	<u>\$ 0.56</u>	<u>\$ 0.42</u>	<u>\$ 1.06</u>
GAAP diluted shares used in per share calculation	232.3	231.1	228.0	232.1
Impact of SFAS 123R on diluted shares	0.8	0.8	0.5	0.5
Shares included in non-GAAP net income per share, but excluded from GAAP net loss per share as they would have been anti-dilutive	-	-	3.1	-
Non-GAAP diluted shares used in per share calculation	<u>233.1</u>	<u>231.9</u>	<u>231.6</u>	<u>232.6</u>



Other Supplemental Financial Information ⁽¹⁾

Fiscal Year 2010	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2010
Financial Statistics (\$ in millions, except per share data):					
Total net revenue	\$ 426	\$ 415			\$ 841
License and other revenue	\$ 244	\$ 231			\$ 475
Maintenance revenue	\$ 182	\$ 184			\$ 366
GAAP Gross Margin	88%	88%			88%
Non-GAAP Gross Margin (2)(3)	90%	90%			90%
GAAP Operating Expenses	\$ 393	\$ 362			\$ 755
GAAP Operating Margin	-5%	1%			-2%
GAAP Net Income (Loss)	\$ (32)	\$ 10			\$ (22)
GAAP Diluted Net Income (Loss) Per Share	\$ (0.14)	\$ 0.05			\$ (0.09)
Non-GAAP Operating Expenses (2)(4)	\$ 327	\$ 308			\$ 635
Non-GAAP Operating Margin (2)(5)	13%	16%			14%
Non-GAAP Net Income (2)(6)	\$ 42	\$ 57			\$ 99
Non-GAAP Diluted Net Income Per Share (2)(7)	\$ 0.18	\$ 0.24			\$ 0.42
Total Cash and Marketable Securities	\$ 966	\$ 1,029			\$ 1,029
Days Sales Outstanding	49	49			49
Capital Expenditures	\$ 14	\$ 11			\$ 24
Cash from Operations	\$ 27	\$ 47			\$ 74
GAAP Depreciation and Amortization	\$ 27	\$ 28			\$ 55
Deferred Maintenance Revenue Balance	\$ 469	\$ 444			\$ 444
Revenue by Geography (in millions):					
Americas	\$ 163	\$ 159			\$ 323
Europe	\$ 167	\$ 157			\$ 324
Asia/Pacific	\$ 96	\$ 99			\$ 194
Revenue by Segment (in millions):					
Platform Solutions and Emerging Business	\$ 156	\$ 145			\$ 301
Architecture, Engineering and Construction	\$ 128	\$ 125			\$ 253
Manufacturing	\$ 94	\$ 98			\$ 192
Media and Entertainment	\$ 48	\$ 47			\$ 95
Other	\$ -	\$ -			\$ -
Other Revenue Statistics:					
% of Total Rev from AutoCAD and AutoCAD LT	33%	32%			32%
% of Total Rev from 3D design products	29%	30%			29%
% of Total Rev from Emerging Economies	14%	15%			15%
Upgrade Revenue (in millions)	\$ 43	\$ 26			\$ 70
Favorable (Unfavorable) Impact of U.S. Dollar Translation Relative to Foreign Currencies					
Compared to Comparable Prior Year Period (in millions):					
FX Impact on Total Net Revenue	\$ (31)	\$ (24)			\$ (55)
FX Impact on Total Operating Expenses	\$ 22	\$ 14			\$ 35
FX Impact on Total Net Income (Loss)	\$ (9)	\$ (10)			\$ (20)
Gross Margin by Segment (in millions):					
Platform Solutions and Emerging Business	\$ 146	\$ 136			\$ 282
Architecture, Engineering and Construction	\$ 116	\$ 113			\$ 229
Manufacturing	\$ 86	\$ 89			\$ 175
Media and Entertainment	\$ 34	\$ 36			\$ 70
Unallocated amounts	\$ (9)	\$ (9)			\$ (18)
Common Stock Statistics:					
GAAP Shares Outstanding	228,219,000	229,666,000			229,666,000
GAAP Diluted Weighted Average Shares Outstanding	227,080,000	232,286,000			227,990,000
Shares Repurchased	-	-			-
Maintenance Installed Base*	1,719,000	2,299,000			2,299,000

* The second quarter of fiscal 2010 maintenance installed base includes a one-time adjustment of 581,000 educational seats for users migrated to a standard educational maintenance plan. These users were not previously captured in our maintenance installed base.

(1) Totals may not agree with the sum of the components due to rounding.

(2) To supplement our consolidated financial statements presented on a GAAP basis, Autodesk provides investors with certain non-GAAP measures including non-GAAP net income, non-GAAP net income per share, non-GAAP cost of license and other revenue, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP income from operations, non-GAAP interest and other income, net and non-GAAP provision for income taxes. These non-GAAP financial measures are adjusted to exclude certain costs, expenses, gains and losses, including stock-based compensation expense, amortization of purchased intangibles, goodwill impairment, restructuring charges, establishment of a valuation allowance on certain deferred tax assets and related income tax expenses. See our reconciliation of GAAP financial measures to non-GAAP financial measures herein. We believe these exclusions are appropriate to enhance an overall understanding of our past financial performance and also our prospects for the future, as well as to facilitate comparisons with our historical operating results. These adjustments to our GAAP results are made with the intent of providing both management and investors a more complete understanding of Autodesk's underlying operational results and trends and our marketplace performance. For example, the non-GAAP results are an indication of our baseline performance before gains, losses or other charges that are considered by management to be outside our core operating results. In addition, these non-GAAP financial measures are among the primary indicators management uses as a basis for our planning and forecasting of future periods.

There are limitations in using non-GAAP financial measures because the non-GAAP financial measures are not prepared in accordance with generally accepted accounting principles and may be different from non-GAAP financial measures used by other companies. The non-GAAP financial measures are limited in value because they exclude certain items that may have a material impact upon our reported financial results. The presentation of this additional information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with generally accepted accounting principles in the United States. Investors should review the reconciliation of the non-GAAP financial measures to their most directly comparable GAAP financial measures as provided in the tables accompanying this press release.

Fiscal Year 2010	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2010
(3) GAAP Gross Margin	88%	88%			88%
Stock-based compensation expense	0%	0%			0%
Amortization of developed technology	2%	2%			2%
Non-GAAP Gross Margin	90%	90%			90%
(4) GAAP Operating Expenses	\$ 393	\$ 362			\$ 755
Stock-based compensation expense	(22)	(21)			(43)
Amortization of customer relationships and trademarks	(6)	(7)			(13)
Restructuring charges	(17)	(26)			(43)
Impairment of goodwill	(21)	-			(21)
Non-GAAP Operating Expenses	\$ 327	\$ 308			\$ 635
(5) GAAP Operating Margin	-5%	1%			-2%
Stock-based compensation expense	5%	5%			5%
Amortization of developed technology	2%	2%			2%
Amortization of customer relationships and trademarks	2%	2%			2%
Restructuring charges	4%	6%			5%
Impairment of goodwill	5%	0%			2%
Non-GAAP Operating Margin	13%	16%			14%
(6) GAAP Net Income (Loss)	\$ (32)	\$ 10			\$ (22)
Stock-based compensation expense	23	21			44
Amortization of developed technology	8	8			16
Amortization of customer relationships and trademarks	6	7			13
Impairment of goodwill	21	-			21
Restructuring charges	17	26			43
Establishment of valuation allowance on deferred tax assets	21	-			21
Income tax effect on difference between GAAP and non-GAAP total costs and expenses at a normalized rate	(22)	(16)			(38)
Non-GAAP Net Income	\$ 42	\$ 56			\$ 98
(7) GAAP Diluted Net Income (Loss) Per Share	\$ (0.14)	\$ 0.05			\$ (0.09)
Stock-based compensation expense	0.10	0.09			0.19
Amortization of developed technology	0.04	0.03			0.07
Amortization of customer relationships and trademarks	0.03	0.03			0.06
Impairment of goodwill	0.09	-			0.09
Restructuring charges	0.07	0.11			0.18
Establishment of valuation allowance on deferred tax assets	0.09	-			0.09
Income tax effect on difference between GAAP and non-GAAP total costs and expenses at a normalized rate	(0.10)	(0.07)			(0.17)
Non-GAAP Diluted Net Income Per Share	\$ 0.18	\$ 0.24			\$ 0.42

AUTODESK, INC. (ADSK)
FISCAL SECOND QUARTER 2010 EARNINGS ANNOUNCEMENT
August 13, 2009
PREPARED REMARKS

Autodesk is posting a copy of these prepared remarks in combination with its press release to its investor website. These prepared remarks are offered to provide shareholders and analysts with additional time and detail for analyzing our results in advance of our quarterly conference call. As previously scheduled, the conference call will begin today, August 13, 2009 at 2:00 pm PT (5:00 pm ET) and will include only brief comments followed by questions and answers. These prepared remarks will not be read on the call.

To access the live broadcast of the question and answer session, please visit the Investor Relations section of Autodesk's Website at www.autodesk.com/investor .. A complete reconciliation between GAAP and non-GAAP results is provided in the tables following these prepared remarks.

2Q Fiscal 2010 Overview

We are pleased that we delivered revenue results as anticipated and encouraged that the sequential decline in revenue is smaller than our previous two quarters. We also made strong progress reducing expenses leading to improved sequential profitability.

Revenue was \$415 million, a decrease of 3 percent sequentially and 33 percent compared to the second quarter of fiscal 2009.

Operating expenses were lower than anticipated as the company continued to reduce expenses and improve efficiency.

GAAP diluted earnings per share were \$0.05, compared to GAAP diluted earnings per share of \$0.39 in the second quarter last fiscal year and a GAAP diluted loss per share of \$0.14 in the first quarter of fiscal 2010.

Non-GAAP diluted earnings per share were \$0.24, compared to \$0.56 in the second quarter of fiscal 2009 and \$0.18 in the first quarter of fiscal 2010.

Global economic conditions in Autodesk's core markets were largely a continuation of what we experienced in the first quarter of fiscal 2010. However, as we exited the second quarter our business was less volatile relative to what we experienced in late fiscal 2009 and earlier this fiscal year. While still challenging, Autodesk global demand is showing signs of stabilizing.

Despite the challenging conditions, there were several encouraging data points in our results including the continued success we are achieving in our government business, which grew both sequentially and year-over-year. We remain optimistic about our ability to further penetrate this market as we believe that only a small portion of worldwide stimulus dollars allocated for infrastructure projects have been spent to date. As we move forward in this area, we are working with our government partners to raise the profile of Autodesk as a mission critical provider.

Sales of our model-based 3D design solutions posted small sequential growth in the second quarter led by sales of our Inventor, Moldflow, and Revit products. We believe that customers will continue to migrate to our model-based 3D design solutions as they look to design innovation as a means to create competitive advantage through product differentiation.

Over the prior two quarters, revenue from emerging economies was impacted more significantly than revenue from developed countries. In a positive development, revenue from emerging economies increased 6 percent sequentially, led by low double-digit sequential growth in the emerging economies of Asia Pacific. Going forward, we believe revenue from emerging economies will continue to be more volatile than revenue from developed economies.

Turning to expenses, we made good progress on our expense reduction plan. GAAP operating expenses declined 18 percent, or \$79 million, compared to the second quarter last year and 8 percent sequentially. Non-GAAP operating expenses declined by approximately \$87 million or 22 percent, compared to the second quarter last year and 6 percent sequentially.

Because of the expense reductions we have already realized in the first half of fiscal 2010, we now believe we will surpass our initial plan of reducing our pre-tax spend by \$250 million in fiscal 2010 as compared to fiscal 2009. Based on what Autodesk expects to spend in the fiscal third quarter, we now anticipate we will be able to deliver nearly \$300 million in pre-tax cost savings in fiscal 2010, as compared to fiscal 2009.

Autodesk is a global business with approximately 69% of our business generated outside the U.S. Overall, the current global business environment and our business visibility remain challenging while stabilizing somewhat. Recent reports on broader economic indicators have been mixed. It remains unclear whether a sustainable global recovery is underway, however, we are beginning to see some positive indicators in our business.

With a deep and diversified product portfolio, we are confident that we are well positioned to participate in the global economy's eventual recovery. With over \$1 billion in cash and investments and no debt, Autodesk's financial condition remains solid.

Revenue Analysis

<i>(in millions)</i>	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010
Total net revenue	\$ 620	\$ 607	\$ 490	\$ 426	\$ 415
License and other revenue	\$ 440	\$ 421	\$ 310	\$ 244	\$ 231
Maintenance revenue	\$ 180	\$ 186	\$ 180	\$ 182	\$ 184

Total net revenue for the second quarter was \$415 million, a decrease of 33 percent compared to the second quarter last year and 29 percent at constant currency. Total net revenue decreased 3 percent sequentially.

License and other revenue was \$231 million, a decrease of 48 percent compared to the second quarter last year due primarily to a 46 percent year-over-year decline in new seat license revenue. License and other revenue declined 5 percent sequentially.

Maintenance revenue was \$184 million, an increase of 3 percent compared to the second quarter of last year and 1 percent sequentially. Maintenance billings declined 11 percent year-over-year and 2 percent sequentially. The year-over-year decline in billings is less than we experienced in the first quarter of fiscal 2010. Maintenance billings continue to decline due to a decrease in renewal rates as well as fewer new seats sold. Renewal rates have been impacted as customers have reduced their work force resulting in fewer seats to renew.

Without a meaningful near-term increase in maintenance billings, the year-over-year decline in maintenance billings will create downward pressure on maintenance revenue over the next four quarters as most maintenance agreements are 12 month contracts, which are recognized ratably over four quarters.

Revenue by Geography

<i>Revenue by Geography (in millions)</i>	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010
Americas	\$ 203	\$ 216	\$ 172	\$ 163	\$ 159
EMEA	\$ 267	\$ 258	\$ 219	\$ 167	\$ 157
Asia Pacific	\$ 150	\$ 133	\$ 99	\$ 96	\$ 99
Emerging Economies	\$ 114	\$ 114	\$ 80	\$ 59	\$ 63
Emerging as a percentage of Total Revenue	18%	19%	16%	14%	15%

Revenue in the Americas declined 21 percent compared to the second quarter last year and 2 percent sequentially. Revenue in the U.S. posted a small sequential decline while both Canada and Brazil grew sequentially.

EMEA revenue decreased 41 percent year-over-year as reported and 32 percent at constant currency. EMEA revenue declined 6% sequentially.

Compared to the second quarter of last year, revenue from Asia Pacific decreased 34 percent as reported and 35 percent at constant currency. Revenue from Asia Pacific increased 3 percent sequentially. Sequential growth was seen in both developed and emerging economies with strong sequential growth posted in South Korea, Australia, and China.

Similar to last quarter, the greatest geographic year-over-year revenue decline was in emerging economies, which declined 45 percent compared to the second quarter of last year. However, we are encouraged that revenue from emerging economies increased 6 percent sequentially with the strongest sequential growth coming from our Asia Pacific region.

Revenue by Product Type

<i>3D Products as a % of Total</i>					
<i>Revenue</i>	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010
Model-based 3D Design Solutions					
Revenue %	26%	27%	29%	29%	30%

Revenue from our model-based 3D design solutions decreased 25 percent compared to second quarter last year, to \$124 million. Revenue from model-based 3D design solutions increased 2 percent sequentially driven by growth of Inventor, Moldflow, and Revit products.

Our 2D and 2D horizontal products continue to be impacted more severely in this recession relative to our model-based 3D design solutions. Combined revenue from 2D horizontal and 2D vertical products decreased 38 percent compared to the second quarter of fiscal 2009 and 6 percent sequentially, to \$194 million.

Revenue by Business Segment

<i>Revenue by Segment (in millions)</i>	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010
Platform Solutions and Emerging Business	\$ 237	\$ 239	\$ 172	\$ 156	\$ 145
Architecture, Engineering and Construction	\$ 176	\$ 164	\$ 146	\$ 128	\$ 125
Manufacturing	\$ 131	\$ 124	\$ 115	\$ 94	\$ 98
Media and Entertainment	\$ 69	\$ 73	\$ 53	\$ 48	\$ 47
Other	\$ 6	\$ 7	\$ 4	\$ -	\$ -

Revenue from Platform Solutions decreased 39 percent compared to the second quarter last year and 7 percent sequentially to \$145 million due to declines in sales of AutoCAD and AutoCAD LT products. Combined revenue from these products declined 39 percent as compared to the second quarter last year and 7 percent sequentially.

Revenue from our AEC segment decreased 29 percent compared to the second quarter last year and 3 percent sequentially to \$125 million. Revenue from our Revit family of products decreased 30 percent compared to the second quarter last year and increased 2 percent sequentially.

Revenue from our Manufacturing segment decreased 25 percent compared to the second quarter last year and increased 4 percent sequentially to \$98 million. Revenue from our Inventor family of products decreased 30 percent compared to the second quarter last year and increased 7 percent sequentially.

Revenue from our Media and Entertainment segment was \$47 million, a decrease of 32 percent compared to the second quarter last year and 2 percent sequentially. Revenue from animation products including 3dsMax and Maya decreased 20 percent compared to the second quarter last year and increased 9 percent sequentially. Revenue from Advanced Systems declined 47 percent compared to the second quarter last year and 17 percent sequentially.

Margins and EPS Review

<i>Gross Margin</i>	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010
Gross Margin - GAAP	90%	91%	90%	88%	88%
Gross Margin - Non-GAAP	91%	93%	92%	90%	90%

<i>Operating Expenses (in millions)</i>	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010
Operating Expenses - GAAP	\$ 441	\$ 415	\$ 575	\$ 393	\$ 362
Operating Expenses - Non-GAAP	\$ 396	\$ 385	\$ 372	\$ 327	\$ 308

<i>Earnings Per Share</i>	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010
Diluted Net Income (Loss) Per Share - GAAP	\$ 0.39	\$ 0.45	\$ (0.47)	\$ (0.14)	\$ 0.05
Diluted Net Income Per Share - Non-GAAP	\$ 0.56	\$ 0.56	\$ 0.31	\$ 0.18	\$ 0.24

GAAP gross margins in the second quarter were 88%. Non-GAAP gross margins in the second quarter were 90 percent. Historically, gross margins have trended higher in our fiscal second quarter compared to our fiscal first quarter. Our second quarter gross margins were flat sequentially and were impacted by a combination of fixed costs that did not decrease with lower revenue, as well as non-recurring items.

GAAP operating margin was 1 percent. Our non-GAAP operating margin in the second quarter decreased compared to the second quarter last year primarily due to the year-over-year drop in revenue. Non-GAAP operating margins rose 3 percentage points on a sequential basis to 16 percent, driven by reduced operating expenses.

The effective tax rate for our second quarter was 22 percent for our GAAP results and 25 percent for our non-GAAP results.

Earnings per diluted share for the second quarter were \$0.05 GAAP and \$0.24 non-GAAP.

A complete reconciliation between GAAP and non-GAAP results is provided in the tables following these prepared remarks.

Foreign Exchange Impact

<i>Favorable (Unfavorable) Impact of U.S. Dollar Translation Relative to Foreign Currencies Compared to Comparable Prior Year Period (in millions)</i>					
	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010
FX Impact on Total Net Revenue	\$ 42	\$ 18	\$ (19)	\$ (31)	\$ (24)
FX Impact on Operating Expenses	\$ (11)	\$ (3)	\$ 17	\$ 22	\$ 14
FX Impact on Operating Income (Loss)	\$ 31	\$ 15	\$ (2)	\$ (9)	\$ (10)

Compared to the second quarter of last year, the impact of foreign currency exchange rates in the second quarter was \$24 million unfavorable on revenue and \$14 million favorable on expenses.

Compared to the first quarter, the foreign currency impact was \$9 million favorable on revenue and \$7 million unfavorable on expenses.

Balance Sheet Items and Cash Review

<i>Financial Statistics (in millions)</i>	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010
Total Cash and Marketable					
Securities	\$ 970	\$ 941	\$ 989	\$ 966	\$ 1,029
Days Sales Outstanding	48	44	59	49	49
Capital Expenditures	\$ 26	\$ 19	\$ 19	\$ 14	\$ 11
Cash Flow from Operating					
Activities	\$ 215	\$ 107	\$ 86	\$ 27	\$ 47
Depreciation and Amortization	\$ 22	\$ 25	\$ 27	\$ 27	\$ 28
Deferred Revenue	\$ 563	\$ 499	\$ 552	\$ 534	\$ 502

Total cash and investments at the end of the second quarter were over \$1 billion.

Cash flow from operating activities during the second quarter was \$47 million. Cash flow from operating activities was significantly lower than the second quarter last year, but did improve sequentially primarily due to increased profitability.

Shippable backlog at the end of the second quarter decreased by \$7 million sequentially to \$16 million.

Deferred revenue decreased 11 percent compared to the second quarter last year and 6 percent sequentially to \$502 million. The decrease is primarily due to the reduction in maintenance billings.

Total backlog at the end of the second quarter, including deferred revenue and shippable backlog orders was \$518 million, a decrease of \$73 million compared to the second quarter last year.

Channel inventory at the end of the second quarter declined sequentially in weeks and in absolute dollars. At the end of the second quarter channel inventory was approximately three weeks.

DSO was 49 days in the second quarter, flat sequentially and slightly higher year-over-year.

Business Outlook

Our guidance is based on our current expectations and the information we have available today, including currency exchange rates.

<i>3Q FY10 Guidance Metrics</i>	Q3 FY10 (ending October 31)
Revenue (in millions)	\$ 400 to \$420
EPS - GAAP	\$ 0.04 to \$0.09
EPS - Non-GAAP	\$ 0.18 to \$0.23

For the third quarter, we expect revenue to be in the range of \$400 million to \$420 million. GAAP earnings per diluted share are expected to be in the range of \$0.04 and \$0.09. Non-GAAP earnings per diluted share are expected to be in the range of \$0.18 and \$0.23, excluding \$0.07 related to stock-based compensation expense, \$0.05 for amortization of acquisition related intangibles, and \$0.02 for restructuring related charges.

Safe Harbor Statement

These prepared remarks contain forward-looking statements that involve risks and uncertainties, including statements in the paragraphs under “Business Outlook”, statements regarding anticipated market and economic trends, cost savings, timing of certain charges, revenue performance (including by geography and product), market position and other statements regarding our expected strategies, performance and results. Other factors that could cause actual results to differ materially include the following: general market, economic and business conditions, our performance in particular geographies, including emerging economies, the financial and business condition of our reseller and distribution channels, fluctuation in foreign currency exchange rates, failure to achieve planned cost reductions and productivity increases, slowing momentum in maintenance revenues, failure to achieve sufficient sell-through in our channels for new or existing products, pricing pressure, failure to achieve continued migration from 2D products to 3D products, difficulties encountered in integrating new or acquired businesses and technologies, the inability to identify and realize the anticipated benefits of acquisitions, unexpected fluctuations in our tax rate, the timing and degree of expected investments in growth opportunities, changes in the timing of product releases and retirements, failure of key new applications to achieve anticipated levels of customer acceptance, failure to achieve continued success in technology advancements, interruptions or terminations in the business of Autodesk consultants, and any unanticipated impact of accounting for acquisitions.

Further information on potential factors that could affect the financial results of Autodesk are included in Autodesk's reports on Form 10-K for the year ended January 31, 2009 and Form 10-Q for the quarter ended April 30, 2009, which are on file with the U.S. Securities and Exchange Commission. Autodesk does not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

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Autodesk

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Non-GAAP Operating Margin (1)(4)	13%	16%			14%
Non-GAAP Net Income (1)(5)	\$ 42	\$ 57			\$ 99
Non-GAAP Diluted Net Income Per Share (1)(6)	\$ 0.18	\$ 0.24			\$ 0.42
Total Cash and Marketable Securities	\$ 966	\$ 1,029			\$ 1,029
Days Sales Outstanding	49	49			49
Capital Expenditures	\$ 14	\$ 11			\$ 24
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Unallocated amounts	\$ (9)	\$ (9)			\$ (18)
Common Stock Statistics:					
GAAP Shares Outstanding	228,219,000	229,666,000			229,666,000
GAAP Fully Diluted Weighted Average Shares Outstanding	227,080,000	232,286,000			227,990,000
Shares Repurchased	-	-			-
Installed Base Statistics:					
Maintenance Installed Base *	1,719,000	2,299,000			2,299,000

* The second quarter of fiscal 2010 maintenance installed base includes a one-time adjustment of 581,000 educational seats for users migrated to a standard educational maintenance plan. These users were not previously captured in our maintenance installed base.

Autodesk

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Stock-based compensation expense	(22)	(21)			(43)
Amortization of customer relationships and trademarks	(6)	(7)			(13)
Restructuring charges	(17)	(26)			(43)
Impairment of goodwill	(21)	-			(21)
Non-GAAP Operating Expenses	\$ 327	\$ 308			\$ 635
(4) GAAP Operating Margin	-5%	1%			-2%
Stock-based compensation expense	5%	5%			5%
Amortization of developed technology	2%	2%			2%
Amortization of customer relationships and trademarks	2%	2%			2%
Restructuring charges	4%	6%			5%
Impairment of goodwill	5%	0%			2%
Non-GAAP Operating Margin	13%	16%			14%
(5) GAAP Net Income (Loss)	\$ (32)	\$ 10			\$ (22)
Stock-based compensation expense	23	21			44
Amortization of developed technology	8	8			16
Amortization of customer relationships and trademarks	6	7			13
Establishment of valuation allowance on deferred tax assets	21	-			21
Impairment of goodwill	21	-			21
Restructuring charges	17	26			43
Income tax effect on difference between GAAP and non-GAAP total costs and expenses at a normalized rate	(22)	(16)			(38)
Non-GAAP Net Income	\$ 42	\$ 56			\$ 98
(6) GAAP Diluted Net Income (Loss) Per Share	\$ (0.14)	\$ 0.05			\$ (0.09)
Stock-based compensation expense	0.10	0.09			0.19
Amortization of developed technology	0.04	0.03			0.07
Amortization of customer relationships and trademarks	0.03	0.03			0.06
Establishment of valuation allowance on deferred tax assets	0.09	-			0.09

Impairment of goodwill	0.09	-	0.09
Restructuring charges	0.07	0.11	0.18
Income tax effect on difference between GAAP and non-GAAP total costs and expenses at a normalized rate	(0.10)	(0.07)	(0.17)
Non-GAAP Diluted Net Income Per Share	\$ 0.18	\$ 0.24	\$ 0.42

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Fiscal Year 2009	QTR 1		QTR 2		QTR 3		QTR 4		YTD 2009	
Financial Statistics (\$ in millions, except per share data):										
Total net revenue	\$	599	\$	620	\$	607	\$	490	\$	2,315
License and other revenue	\$	432	\$	440	\$	421	\$	310	\$	1,603
Maintenance revenue	\$	167	\$	180	\$	186	\$	180	\$	712
GAAP Gross Margin		90%		90%		91%		90%		91%
Non-GAAP Gross Margin (1)(2)		91%		91%		93%		92%		92%
GAAP Operating Expenses	\$	421	\$	441	\$	415	\$	575	\$	1,852
GAAP Operating Margin		20%		19%		23%		-27%		11%
GAAP Net Income (Loss)	\$	95	\$	90	\$	104	\$	(105)	\$	184
GAAP Diluted Net Income (Loss) Per Share	\$	0.41	\$	0.39	\$	0.45	\$	(0.47)	\$	0.80
Non-GAAP Operating Expenses (1)(3)	\$	394	\$	396	\$	385	\$	372	\$	1,546
Non-GAAP Operating Margin (1)(4)		25%		28%		29%		16%		25%
Non-GAAP Net Income (1)(5)	\$	117	\$	130	\$	130	\$	70	\$	448
Non-GAAP Diluted Net Income Per Share (1)(6)	\$	0.50	\$	0.56	\$	0.56	\$	0.31	\$	1.95
Total Cash and Marketable Securities	\$	950	\$	970	\$	941	\$	989	\$	989
Days Sales Outstanding		51		48		44		59		59
Capital Expenditures	\$	14	\$	26	\$	19	\$	19	\$	78
Cash from Operations	\$	185	\$	215	\$	107	\$	86	\$	594
GAAP Depreciation and Amortization	\$	17	\$	22	\$	25	\$	27	\$	92
Deferred Maintenance Revenue Balance	\$	474	\$	488	\$	433	\$	475	\$	475
Revenue by Geography (in millions):										
Americas	\$	191	\$	203	\$	216	\$	172	\$	782
Europe	\$	259	\$	267	\$	258	\$	219	\$	1,003
Asia/Pacific	\$	149	\$	150	\$	133	\$	99	\$	530
Revenue by Segment (in millions):										
Platform Solutions and Emerging Business	\$	253	\$	237	\$	239	\$	172	\$	901
Architecture, Engineering and Construction	\$	155	\$	176	\$	164	\$	146	\$	641
Manufacturing	\$	119	\$	131	\$	124	\$	115	\$	489
Media and Entertainment	\$	67	\$	69	\$	73	\$	53	\$	262
Other	\$	5	\$	6	\$	7	\$	4	\$	22
Other Revenue Statistics:										
% of Total Rev from AutoCAD and AutoCAD LT		41%		35%		35%		32%		36%
% of Total Rev from 3D design products		24%		26%		27%		29%		27%
% of Total Rev from Emerging Economies		17%		18%		19%		16%		18%
Upgrade Revenue (in millions)	\$	61	\$	58	\$	41	\$	34	\$	194
Favorable (Unfavorable) Impact of U.S. Dollar Translation Relative to Foreign Currencies Compared to Comparable Prior Year Period (in millions):										
FX Impact on Total Net Revenue	\$	41	\$	42	\$	18	\$	(19)	\$	82
FX Impact on Total Operating Expenses	\$	(14)	\$	(11)	\$	(3)	\$	17	\$	(11)
FX Impact on Total Net Income (Loss)	\$	27	\$	31	\$	15	\$	(2)	\$	71
Gross Margin by Segment (in millions):										
Platform Solutions and Emerging Business	\$	240	\$	226	\$	231	\$	164	\$	861
Architecture, Engineering and Construction	\$	143	\$	162	\$	152	\$	135	\$	592
Manufacturing	\$	110	\$	122	\$	117	\$	108	\$	457
Media and Entertainment	\$	49	\$	52	\$	57	\$	40	\$	198
Unallocated amounts	\$	(1)	\$	(2)	\$	(3)	\$	(6)	\$	(12)
Common Stock Statistics:										
GAAP Shares Outstanding		223,616,000		224,528,000		226,248,000		226,354,000		226,354,000
GAAP Fully Diluted Weighted Average Shares Outstanding		232,607,000		231,078,000		230,364,000		226,299,000		230,068,000
Shares Repurchased		8,001,000		-		-		-		8,001,000
Installed Base Statistics:										

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Note: Totals may not agree with the sum of the components due to rounding.

(1) To supplement our consolidated financial statements presented on a GAAP basis, Autodesk provides investors with certain non-GAAP measures including non-GAAP net income, non-GAAP net income per share, non-GAAP cost of license and other revenue, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP income from operations, non-GAAP interest and other income, net and non-GAAP provision for income taxes. These non-GAAP financial measures are adjusted to exclude certain costs, expenses, gains and losses, including stock-based compensation expense, employee tax reimbursements related to our stock option review, in-process research and development expenses, restructuring charges, amortization of purchased intangibles, asset impairment and related income tax expenses. See our reconciliation of GAAP financial measures to non-GAAP financial measures herein. We believe these exclusions are appropriate to enhance an overall understanding of our past financial performance and also our prospects for the future, as well as to facilitate comparisons with our historical operating results. These adjustments to our GAAP results are made with the intent of providing both management and investors a more complete understanding of Autodesk's underlying operational results and trends and our marketplace performance. For example, the non-GAAP results are an indication of our baseline performance before gains, losses or other charges that are considered by management to be outside our core operating results. In addition, these non-GAAP financial measures are among the primary indicators management uses as a basis for our planning and forecasting of future periods.

There are limitations in using non-GAAP financial measures because the non-GAAP financial measures are not prepared in accordance with generally accepted accounting principles and may be different from non-GAAP financial measures used by other companies. The non-GAAP financial measures are limited in value because they exclude certain items that may have a material impact upon our reported financial results. The presentation of this additional information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with generally accepted accounting principles in the United States. Investors should review the reconciliation of the non-GAAP financial measures to their most directly comparable GAAP financial measures as provided in the tables accompanying Autodesk's press release.

Fiscal Year 2009	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2009
(2) GAAP Gross Margin	90%	90%	91%	90%	91%
Stock-based compensation expense	0%	0%	0%	0%	0%
Amortization of developed technology	1%	1%	2%	2%	1%
Non-GAAP Gross Margin	91%	91%	93%	92%	92%
(3) GAAP Operating Expenses	\$ 421	\$ 441	\$ 415	\$ 575	\$ 1,852
Stock-based compensation expense	(24)	(22)	(21)	(18)	(87)
Amortization of customer relationships and trademarks	(3)	(6)	(7)	(7)	(24)
In-process research and development	-	(17)	(1)	(9)	(27)
Restructuring charges	-	-	-	(40)	(40)
Impairment of goodwill and intangibles	-	-	-	(129)	(129)
Non-GAAP Operating Expenses	\$ 394	\$ 396	\$ 385	\$ 372	\$ 1,546
(4) GAAP Operating Margin	20%	19%	23%	-27%	11%
Stock-based compensation expense	4%	4%	4%	4%	4%
Amortization of developed technology	1%	1%	1%	2%	1%
Amortization of customer relationships and trademarks	0%	1%	1%	1%	1%
In-process research and development	0%	3%	0%	2%	1%
Restructuring charges	0%	0%	0%	8%	2%
Impairment of goodwill and intangibles	0%	0%	0%	26%	6%
Non-GAAP Operating Margin	25%	28%	29%	16%	25%
(5) GAAP Net Income (Loss)	\$ 95	\$ 90	\$ 104	\$ (105)	\$ 184
Stock-based compensation expense	25	23	23	19	90
Amortization of developed technology	4	5	6	8	23
Amortization of customer relationships and trademarks	3	6	7	7	24
In-process research and development	-	17	1	9	27
Impairment of goodwill and intangibles	-	-	-	129	129
Restructuring charges	-	-	-	40	40
Income tax effect on difference between GAAP and non-GAAP total costs and expenses at a normalized rate	(9)	(11)	(12)	(36)	(68)
Non-GAAP Net Income	\$ 117	\$ 130	\$ 130	\$ 70	\$ 448
(6) GAAP Diluted Net Income (Loss) Per Share	\$ 0.41	\$ 0.39	\$ 0.45	\$ (0.47)	\$ 0.80
Stock-based compensation expense	0.11	0.10	0.10	0.08	0.39
Amortization of developed technology	0.01	0.02	0.03	0.04	0.10
Amortization of customer relationships and trademarks	0.01	0.03	0.03	0.03	0.10
In-process research and development	-	0.07	-	0.04	0.12

Impairment of goodwill and intangibles	-	-	-	0.56	0.56
Restructuring charges	-	-	-	0.18	0.18
Income tax effect on difference between GAAP and non-GAAP total costs and expenses at a normalized rate	(0.04)	(0.05)	(0.05)	(0.15)	(0.30)
Non-GAAP Diluted Net Income Per Share	\$ 0.50	\$ 0.56	\$ 0.56	\$ 0.31	\$ 1.95