UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 26, 2014

Autodesk, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**000-14338**	**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, 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))

Item 2.02. Results of Operations and Financial Condition.

On February 26, 2014, Autodesk, Inc. ("Autodesk" or the "Company") issued a press release and prepared remarks reporting financial results for the fourth quarter and fiscal year ended January 31, 2014. 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 and as a means to evaluate period-to-period comparisons, Autodesk uses non-GAAP measures to supplement our consolidated financial statements presented on a GAAP basis. These non-GAAP measures do not include certain items that may have a material impact upon our reported financial results. Autodesk uses non-GAAP measures in making operating decisions because Autodesk believes those measures provide meaningful supplemental information regarding our earning potential and performance for management by excluding certain expenses and charges that may not be indicative of our core business operating results. For the reasons set forth below, Autodesk believes these non-GAAP financial measures are useful to investors both because (1) they allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making and (2) they are used by our institutional investors and the analyst community to help them analyze the health of our business. This allows investors and others to better understand and evaluate our operating results and future prospects in the same manner as management, compare financial results across accounting periods and to those of peer companies and to better understand the long-term performance of our core business. Autodesk also uses some of these measures for purposes of determining company-wide incentive compensation.

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

A. *Stock-based compensation expenses.* Autodesk excludes stock-based compensation expenses from its 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. Moreover, because of varying available valuation methodologies, subjective assumptions and the variety of award types that companies can use under FASB ASC Topic 718, Autodesk believes excluding stock-based compensation expenses allows investors to make meaningful comparisons between our recurring core business operating results and those of other companies.

B. *Amortization of purchased intangibles.* Autodesk incurs amortization of acquisition-related purchased intangible assets in connection with acquisitions of certain businesses and technologies. Amortization of intangible assets is inconsistent in amount and frequency and is significantly affected by the timing and size of our acquisitions. 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. Investors should note that the use of intangible assets contributed to our revenues earned during the periods presented and will contribute to our future period revenues as well. Amortization of purchased intangible assets will recur in 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. *Restructuring charges (benefits), net.* These expenses are associated with realigning our business strategies based on current economic conditions. In connection with these restructuring actions, Autodesk recognizes costs related to termination benefits for former employees whose positions were eliminated, and the closure of facilities and cancellation of certain contracts. Autodesk excludes these charges because these expenses are not reflective of ongoing business and operating results. Autodesk believes it is useful for investors to understand the effects of these items on our total operating expenses.

E. *Loss (gain) on strategic investments.* Autodesk excludes gains and losses related to our strategic investments from our non-GAAP measures primarily because management finds it useful to exclude these variable gains and losses on these investments in assessing our financial results. Included in these amounts are non-cash unrealized gains and losses on the derivative components and realized gains and losses on the sale or losses on the impairment of these investments. Autodesk believes excluding these items is useful to investors because these excluded items do not correlate to the underlying performance of our business and these losses or gains were incurred in connection with strategic investments which do not occur regularly.

F. *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 cash expenses to assist in budgeting, planning and forecasting future periods.

G. Discrete tax items. Autodesk excludes the GAAP tax provision, including discrete items, from the non-GAAP measure of income, and includes a non-GAAP tax provision based upon the projected annual non-GAAP effective tax rate. Discrete tax items include income tax expenses or benefits that do not relate to ordinary income from continuing operations in the current fiscal year, unusual or infrequently occurring items, or the tax impact of certain stock-based compensation. Examples of discrete tax items include, but are not limited to, certain changes in judgment and changes in estimates of tax matters related to prior fiscal years, certain costs related to business combinations, certain changes in the realizability of deferred tax assets or changes in tax law. Management believes this approach assists investors in understanding the tax provision and the effective tax rate related to ongoing operations. Autodesk believes the exclusion of these discrete tax items provides investors with useful supplemental information about the Company's operational performance.

H. *Income tax effects on the difference between GAAP and non-GAAP costs and expenses*. 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 stock-based compensation, purchased intangibles and restructuring for GAAP and non-GAAP measures.

There are limitations in using non-GAAP financial measures because non-GAAP financial measures are not prepared in accordance with GAAP 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. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which charges are excluded from the non-GAAP financial measures. Autodesk 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 public disclosures. The presentation of non-GAAP financial information is meant to be considered in addition to, not as a substitute for or in isolation from, the directly comparable financial measures prepared in accordance with GAAP. Autodesk urges investors to review the reconciliation of our non-GAAP financial measures to the comparable GAAP financial measures included below, and not to rely on any single financial measure to evaluate our business.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	**Description**
99.1	Press release dated as of February 26, 2014.
99.2	Prepared remarks dated as of February 26, 2014.

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: February 26, 2014

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press release dated as of February 26, 2014.
99.2	Prepared remarks dated as of February 26, 2014.

Investors: David Gennarelli, david.gennarelli@autodesk.com, 415-507-6033

Press: Noah Cole, noah.cole@autodesk.com, 415-580-3535

AUTODESK FOURTH QUARTER DRIVEN BY STRONG GROWTH IN SUITES AND CASH FLOW
Company Reiterates Long-term Financial Targets

SAN RAFAEL, Calif., FEBRUARY 26, 2014-- Autodesk, Inc. (NASDAQ: ADSK) today reported financial results for the fourth quarter and full fiscal year ended January, 31, 2014. Revenue was $587 million. Normalized for the business model transition, revenue would have experienced approximately 2 percent growth year-over-year. GAAP diluted earnings per share were $0.23 and non-GAAP diluted earnings per share were $0.40.

Fourth quarter results exclude approximately $30 million of license revenue that was deferred as a result of the company's business model transition.

Fourth Quarter Fiscal 2014 Highlights

- Revenue from Suites increased 15 percent to $216 million, compared to the fourth quarter last year.

- Operating margin was 9 percent on a GAAP basis and 20 percent on a non-GAAP basis. A reconciliation of GAAP to non-GAAP results is provided in the accompanying tables.

- Deferred revenue increased 8 percent to $901 million, compared to the fourth quarter of fiscal 2013. Normalized for the business model transition (noted above), deferred revenue would have experienced approximately 4 percent growth year-over-year.

- Cash flow from operating activities increased 18 percent to $184 million, compared to the fourth quarter of fiscal 2013.

"We closed our fiscal year with momentum marked by strong growth in suites and demand for our Architecture, Engineering and Construction (AEC) solutions," said Carl Bass, Autodesk president and CEO. "Demand accelerated for our world leading portfolio of building information modeling (BIM) solutions. Our cloud-based BIM 360 tools had a terrific quarter as we continue to enable greater mobility and collaboration for our construction customers. Our cloud-based PLM 360 business also experienced continued momentum and had its best quarter to date."

Fourth Quarter Operational Overview
The business model transition (noted above) was related primarily to flexible license arrangements with certain enterprise customers. In the fourth quarter, the business model transition had particular impact on license revenue in the Americas and the AEC business segment.

Revenue in the Americas was $207 million. EMEA revenue was $229 million. Revenue in Asia Pacific was $150 million. Revenue from emerging economies was $88 million and represented 15 percent of total revenue in the fourth quarter.

Revenue from the Platform Solutions and Emerging Business (PSEB) segment was $196 million. Revenue from the AEC business segment was $196 million. Revenue from the Manufacturing business segment was $154 million. Revenue from the Media and Entertainment business (M&E) segment was $41 million.

Revenue from Flagship products was $288 million. Revenue from Suites was $216 million. Revenue from New and Adjacent products was $83 million.

"We were pleased with our fourth quarter performance, which included strong growth in cash flow from operations, solid growth in deferred revenue, and a significant sequential increase in backlog," said Mark Hawkins, Autodesk executive vice president and CFO. "We remain confident in our long-term model, which calls for a 12 percent billings compounded annual growth rate, 20 percent more annual value from our new and existing subscriptions, and a 50 percent increase in subscriptions by the end of our fiscal 2018. We believe we can accomplish this while getting to a 30 percent non-GAAP operating margin by the end of fiscal 2018."

“We are at the very beginning of a platform and model transition that will propel Autodesk to the future," Bass added. “We are focused on driving our subscription base, annual subscription value, and billings over the next four years and beyond. As anticipated, our transformation will start gradually and we expect will gain momentum as we go forward."

Business Outlook

The following are forward-looking statements based on current expectations and assumptions, and involve risks and uncertainties some of which are set forth below. Autodesk's business outlook for the first quarter and full year fiscal 2015 assumes, among other things, a continuation of the current economic environment and foreign exchange currency rate environment, and interest expense related to Autodesk's $750 million debt offering in December 2012.

First Quarter Fiscal 2015

First quarter EPS guidance includes the dilutive impact of the Delcam acquisition.

Q1 FY15 Guidance Metrics	Q1 FY15 (ending April 30, 2014)
Revenue (in millions)	$560-$575
EPS GAAP	$0.01-$0.04
EPS Non-GAAP (1)	$0.19-$0.22

(1) Non-GAAP earnings per diluted share exclude $0.11 related to stock-based compensation expense, $0.06 for the amortization of acquisition related intangibles, and $0.01 related to restructuring charges.

Full Year Fiscal 2015

FY15 Guidance Metrics	FY15 (ending January 31, 2015)
Net billings growth	5-8%
Revenue growth	3-5%
GAAP operating margin	5-8%
Non-GAAP operating margin	14-16%
Net new subscription additions	150,000-200,000

A reconciliation between the GAAP and non-GAAP estimates for fiscal 2015 is provided in the tables following this press release.

Both the first quarter and full year fiscal 2015 outlook assumes projected annual effective tax rates of approximately 25.5 percent for both GAAP and non-GAAP results. These rates do not include one-time discrete items or the federal R&D tax credit that expired on December 31, 2013.

Earnings Conference Call and Webcast

Autodesk will host its fourth quarter conference call today at 5:00 p.m. ET. 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 Autodesk's 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 ET at http://www.autodesk.com/investors. This replay will be maintained on Autodesk's website for at least 12 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 revenue growth, our business model transition, billings growth, subscription growth, annual subscription value growth, operating margin growth, demand for and adoption of suites, AEC, BIM and PLM solutions, and other statements regarding our strategies, market and products positions, performance, and results. There are a significant number of factors that could cause actual results to differ materially from statements made in this press release, including: general market, political, economic and business conditions; failure to maintain our revenue growth and profitability; failure to successfully manage transitions to new business models and markets, including the introduction of additional ratable revenue streams and our continuing efforts to attract customers to our cloud-based offerings and expenses related to the transition of our business model; failure to maintain cost reductions and productivity increases or otherwise control our expenses; our performance in particular geographies, including emerging economies; the ability of governments around the world to meet their financial and debt obligations, and finance infrastructure projects; weak or negative growth in the industries we serve; slowing momentum in subscription billings or revenues; difficulty in predicting revenue from new businesses and the potential impact on our financial results from changes in our business models; difficulties encountered in integrating new or acquired businesses and technologies; the inability to identify and realize the anticipated benefits of acquisitions; the financial and business condition of our reseller and distribution channels; dependence on and the timing of large transactions; fluctuation in foreign currency exchange rates; the success of our foreign currency hedging program; failure to achieve sufficient sell-through in our channels for new or existing products; pricing pressure; unexpected fluctuations in our tax rate; the timing and degree of expected investments in growth and efficiency opportunities; changes in the timing of product releases and retirements; and any unanticipated accounting charges.

Further information on potential factors that could affect the financial results of Autodesk are included in Autodesk's Annual Report on Form 10-K for the year ended January 31, 2013 and Forms 10-Q for the quarters ended April 30, 2013, July 31, 2013 and October 31, 2013, 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 helps people imagine, design and create a better world. Everyone--from design professionals, engineers and architects to digital artists, students and hobbyists--uses Autodesk software to unlock their creativity and solve important challenges. For more information visit autodesk.com or follow @autodesk.

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

	Three Months Ended January 31,		Fiscal Year Ended January 31,	
	2014	2013	2014	2013
	(Unaudited)		(Unaudited)	
Net revenue (1):				
License and other	$ 320.7	$ 364.7	$ 1,254.9	$ 1,364.1
Subscription	265.9	242.2	1,019.0	948.1
Total net revenue	586.6	606.9	2,273.9	2,312.2
Cost of revenue (1):				
Cost of license and other revenue	48.1	41.4	178.7	166.0
Cost of subscription revenue	23.8	20.6	95.6	72.5
Total cost of revenue	71.9	62.0	274.3	238.5
Gross profit	514.7	544.9	1,999.6	2,073.7
Operating expenses:				
Marketing and sales	232.3	236.0	842.6	875.5
Research and development	162.4	149.4	611.1	600.0
General and administrative	62.0	67.7	248.3	248.4
Restructuring charges, net	6.3	7.2	12.8	43.9
Total operating expenses	463.0	460.3	1,714.8	1,767.8
Income from operations	51.7	84.6	284.8	305.9
Interest and other income (expense), net	4.6	1.5	(4.9)	4.1
Income before income taxes	56.3	86.1	279.9	310.0
Provision for income taxes	(2.4)	(11.6)	(51.1)	(62.6)
Net income	$ 53.9	$ 74.5	$ 228.8	$ 247.4
Basic net income per share	$ 0.24	$ 0.33	$ 1.02	$ 1.09
Diluted net income per share	$ 0.23	$ 0.32	$ 1.00	$ 1.07
Weighted average shares used in computing basic net income per share	225.5	224.1	224.0	226.4
Weighted average shares used in computing diluted net income per share	231.1	229.6	229.6	231.7

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(1) Effective in the first quarter of fiscal 2014, Autodesk reclassified certain revenue and cost of revenue amounts associated with its cloud service offerings from "License and Other Revenue" to its new revenue line item "Subscription Revenue." Subscription Revenue consists of two components: maintenance revenue for our software products and revenue for our cloud service offerings including Autodesk 360. Prior period amounts have been revised to conform to the current period presentation.

Autodesk, Inc.
Condensed Consolidated Balance Sheets
(In millions)

	January 31, 2014	January 31, 2013
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,853.0	$ 1,612.2
Marketable securities	414.1	342.1
Accounts receivable, net	423.7	495.1
Deferred income taxes	56.8	42.2
Prepaid expenses and other current assets	87.4	60.8
Total current assets	2,835.0	2,552.4
Marketable securities	277.3	411.1
Computer equipment, software, furniture and leasehold improvements, net	130.3	114.9
Purchased technologies, net	63.1	76.0
Goodwill	1,009.9	871.5
Deferred income taxes, net	131.1	122.8
Other assets	148.3	159.7
	$ 4,595.0	$ 4,308.4
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 84.5	$ 94.2
Accrued compensation	181.2	189.6
Accrued income taxes	24.3	13.9
Deferred revenue	696.2	647.0
Other accrued liabilities	85.3	99.0
Total current liabilities	1,071.5	1,043.7
Deferred revenue	204.4	187.6
Long term income taxes payable	211.8	194.2
Long term notes payable, net of discount	746.4	745.6
Other liabilities	99.4	94.1
Commitments and contingencies	—	—
Stockholders' equity:		
Preferred stock	—	—
Common stock and additional paid-in capital	1,637.3	1,449.8
Accumulated other comprehensive loss	(0.6)	(5.7)
Retained earnings	624.8	599.1
Total stockholders' equity	2,261.5	2,043.2
	$ 4,595.0	$ 4,308.4

Autodesk, Inc.
Condensed Consolidated Statements of Cash Flows
(In millions)

	Fiscal Year Ended January 31,	
	2014	2013
	(Unaudited)	
Operating activities:		
Net income	$ 228.8	$ 247.4
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and accretion	128.9	127.8
Stock-based compensation expense	132.2	156.3
Excess tax benefits from stock-based compensation	(9.1)	(12.9)
Restructuring charges, net	12.8	43.9
Other operating activities	(16.1)	6.7
Changes in operating assets and liabilities, net of business combinations	86.0	(10.1)
Net cash provided by operating activities	563.5	559.1
Investing activities:		
Purchases of marketable securities	(1,214.2)	(1,397.7)
Sales of marketable securities	537.0	332.9
Maturities of marketable securities	742.1	764.8
Capital expenditures	(64.2)	(56.4)
Acquisitions, net of cash acquired	(176.1)	(263.7)
Other investing activities	(18.6)	(27.1)
Net cash (used in) investing activities	(194.0)	(647.2)
Financing activities:		
Proceeds from issuance of common stock, net of issuance costs	288.2	220.2
Repurchases of common stock	(423.8)	(431.2)
Draws on line of credit	—	110.0
Proceeds from debt	—	745.6
Repayments on line of credit	—	(110.0)
Excess tax benefits from stock-based compensation	9.1	12.9
Other financing activities	—	(6.1)
Net cash (used in) provided by financing activities	(126.5)	541.4
Effect of exchange rate changes on cash and cash equivalents	(2.2)	2.0
Net increase in cash and cash equivalents	240.8	455.3
Cash and cash equivalents at beginning of fiscal year	1,612.2	1,156.9
Cash and cash equivalents at end of period	$ 1,853.0	$ 1,612.2

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 cost of license and other revenue, non-GAAP cost of subscription revenue, non-GAAP gross profit, non-GAAP operating expenses, non-GAAP restructuring charges (benefits), non-GAAP income from operations, non-GAAP operating margin, non-GAAP interest and other income (expense), non-GAAP provision for income taxes, non-GAAP net income, and non-GAAP net income per share. These non-GAAP financial measures are adjusted to exclude certain costs, expenses, gains and losses, including stock-based compensation expense, restructuring charges, amortization of purchased intangibles, gain and loss on strategic investments, 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 GAAP 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 January 31,		Fiscal Year Ended January 31,	
	2014	2013	2014	2013
	(Unaudited)		(Unaudited)	
GAAP cost of license and other revenue (1)	$ 48.1	$ 41.4	$ 178.7	$ 166.0
Stock-based compensation expense (1)	(1.1)	(1.0)	(3.8)	(3.7)
Amortization of developed technology (1)	(10.6)	(9.5)	(40.1)	(37.2)
Non-GAAP cost of license and other revenue (1)	$ 36.4	$ 30.9	$ 134.8	$ 125.1
GAAP cost of subscription revenue (1)	$ 23.8	$ 20.6	$ 95.6	$ 72.5
Stock-based compensation expense (1)	(0.6)	(0.4)	(2.2)	(1.5)
Amortization of developed technology (1)	(1.0)	(0.9)	(4.1)	(2.5)
Non-GAAP cost of subscription revenue (1)	$ 22.2	$ 19.3	$ 89.3	$ 68.5
GAAP gross profit	$ 514.7	$ 544.9	$ 1,999.6	$ 2,073.7
Stock-based compensation expense	1.7	1.4	6.0	5.2
Amortization of developed technology	11.6	10.4	44.2	39.7
Non-GAAP gross profit	$ 528.0	$ 556.7	$ 2,049.8	$ 2,118.6
GAAP marketing and sales	$ 232.3	$ 236.0	$ 842.6	$ 875.5
Stock-based compensation expense	(16.1)	(16.9)	(58.6)	(64.3)
Non-GAAP marketing and sales	$ 216.2	$ 219.1	$ 784.0	$ 811.2
GAAP research and development	$ 162.4	$ 149.4	$ 611.1	$ 600.0
Stock-based compensation expense	(12.4)	(12.2)	(43.7)	(61.8)
Non-GAAP research and development	$ 150.0	$ 137.2	$ 567.4	$ 538.2

GAAP general and administrative	$ 62.0	$ 67.7	$ 248.3	$ 248.4
Stock-based compensation expense	(5.9)	(7.0)	(23.9)	(25.0)
Amortization of customer relationships and trade names	(9.0)	(12.6)	(36.5)	(42.1)
Non-GAAP general and administrative	$ 47.1	$ 48.1	$ 187.9	$ 181.3
GAAP restructuring charges (benefits), net	$ 6.3	$ 7.2	$ 12.8	$ 43.9
Restructuring (charges) benefits	(6.3)	(7.2)	(12.8)	(43.9)
Non-GAAP restructuring charges (benefits), net	$ —	$ —	$ —	$ —
GAAP operating expenses	$ 463.0	$ 460.3	$ 1,714.8	$ 1,767.8
Stock-based compensation expense	(34.4)	(36.1)	(126.2)	(151.1)
Amortization of customer relationships and trade names	(9.0)	(12.6)	(36.5)	(42.1)
Restructuring (charges) benefits	(6.3)	(7.2)	(12.8)	(43.9)
Non-GAAP operating expenses	$ 413.3	$ 404.4	$ 1,539.3	$ 1,530.7
GAAP income from operations	$ 51.7	$ 84.6	$ 284.8	$ 305.9
Stock-based compensation expense	36.1	37.5	132.2	156.3
Amortization of developed technology	11.6	10.4	44.2	39.7
Amortization of customer relationships and trade names	9.0	12.6	36.5	42.1
Restructuring charges (benefits)	6.3	7.2	12.8	43.9
Non-GAAP income from operations	$ 114.7	$ 152.3	$ 510.5	$ 587.9
GAAP interest and other (expense) income, net	$ 4.6	$ 1.5	$ (4.9)	$ 4.1
Loss (gain) on strategic investments	0.8	0.2	1.8	4.0
Non-GAAP interest and other (expense) income, net	$ 5.4	$ 1.7	$ (3.1)	$ 8.1
GAAP provision for income taxes	$ (2.4)	$ (11.6)	$ (51.1)	$ (62.6)
Discrete GAAP tax provision items	(7.9)	(7.7)	(10.2)	(26.7)
Income tax effect of non-GAAP adjustments	(16.6)	(13.9)	(60.5)	(56.7)
Non-GAAP provision for income tax	$ (26.9)	$ (33.2)	$ (121.8)	$ (146.0)
GAAP net income	$ 53.9	$ 74.5	$ 228.8	$ 247.4
Stock-based compensation expense	36.1	37.5	132.2	156.3
Amortization of developed technology	11.6	10.4	44.2	39.7
Amortization of customer relationships and trade names	9.0	12.6	36.5	42.1
Restructuring charges (benefits)	6.3	7.2	12.8	43.9
Loss (gain) on strategic investments	0.8	0.2	1.8	4.0
Discrete GAAP tax provision items	(7.9)	(7.7)	(10.2)	(26.7)
Income tax effect of non-GAAP adjustments	(16.6)	(13.9)	(60.5)	(56.7)
Non-GAAP net income	$ 93.2	$ 120.8	$ 385.6	$ 450.0
GAAP diluted net income per share	$ 0.23	$ 0.32	$ 1.00	$ 1.07
Stock-based compensation expense	0.15	0.16	0.57	0.67
Amortization of developed technology	0.05	0.05	0.19	0.18
Amortization of customer relationships and trade names	0.04	0.05	0.16	0.18
Restructuring charges (benefits)	0.03	0.03	0.06	0.18
Loss (gain) on strategic investments	—	—	—	0.02
Discrete GAAP tax provision items	(0.03)	(0.02)	(0.04)	(0.12)

Income tax effect of non-GAAP adjustments		(0.07)		(0.06)		(0.26)		(0.24)
Non-GAAP diluted net income per share	$	0.40	$	0.53	$	1.68	$	1.94

(1) Effective in the first quarter of fiscal 2014, Autodesk reclassified certain costs associated cloud service offerings from "Cost of License and Other Revenue" to "Cost of Subscription Revenue." Prior period amounts have been revised to conform to the current period presentation.

Autodesk, Inc.

Other Supplemental Financial Information (a)

Fiscal Year 2014	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2014
Financial Statistics ($ in millions, except per share data):					
Total Net Revenue:	$ 570	$ 562	$ 555	$ 587	$ 2,274
License and Other Revenue	$ 324	$ 313	$ 298	$ 321	$ 1,255
Subscription Revenue	$ 247	$ 249	$ 258	$ 266	$ 1,019
GAAP Gross Margin	88 %	88 %	88 %	88 %	88 %
Non-GAAP Gross Margin (1)(2)	90 %	90 %	90 %	90 %	90 %
GAAP Operating Expenses	$ 422	$ 410	$ 420	$ 463	$ 1,715
GAAP Operating Margin	14 %	15 %	12 %	9 %	13 %
GAAP Net Income	$ 56	$ 62	$ 58	$ 54	$ 229
GAAP Diluted Net Income Per Share (b)	$ 0.24	$ 0.27	$ 0.25	$ 0.23	$ 1.00
Non-GAAP Operating Expenses (1)(3)	$ 378	$ 370	$ 378	$ 413	$ 1,539
Non-GAAP Operating Margin (1)(4)	24 %	24 %	22 %	20 %	22 %
Non-GAAP Net Income (1)(5)(c)	$ 96	$ 102	$ 94	$ 93	$ 386
Non-GAAP Diluted Net Income Per Share (1)(6)(b)(c)	$ 0.42	$ 0.45	$ 0.41	$ 0.40	$ 1.68
Total Cash and Marketable Securities	$ 2,480	$2,408	$2,479	$2,544	$ 2,544
Days Sales Outstanding	46	49	50	66	66
Capital Expenditures	$ 26	$ 17	$ 12	$ 9	$ 64
Cash Flow from Operating Activities	$ 224	$ 65	$ 91	$ 184	$ 564
GAAP Depreciation, Amortization and Accretion	$ 33	$ 32	$ 31	$ 33	$ 129
Deferred Subscription Revenue Balance (c)	$ 775	$ 736	$ 699	$ 789	$ 789
Revenue by Geography:					
Americas	$ 202	$ 202	$ 208	$ 207	$ 819
Europe, Middle East and Africa	$ 216	$ 202	$ 204	$ 229	$ 852
Asia Pacific	$ 152	$ 158	$ 143	150	$ 603
% of Total Rev from Emerging Economies	13 %	15 %	15 %	15 %	15 %
Revenue by Segment:					
Platform Solutions and Emerging Business	$ 213	$ 197	$ 183	$ 196	$ 789
Architecture, Engineering and Construction	$ 172	$ 177	$ 186	$ 196	$ 731
Manufacturing	$ 139	$ 144	$ 142	$ 154	$ 579
Media and Entertainment	$ 47	$ 43	$ 44	$ 41	$ 175

Other Revenue Statistics:					
% of Total Rev from Flagship	55 %	51 %	50 %	49 %	51 %
% of Total Rev from Suites	31 %	34 %	36 %	37 %	34 %
% of Total Rev from New and Adjacent	14 %	14 %	15 %	14 %	14 %
% of Total Rev from AutoCAD and AutoCAD LT	34 %	31 %	29 %	29 %	30 %
Favorable (Unfavorable) Impact of U.S. Dollar Translation Relative to Foreign Currencies Compared to Comparable Prior Year Period:					
FX Impact on Total Net Revenue	$ (17)	$ (17)	$ (13)	$ (8)	$ (54)
FX Impact on Cost of Revenue and Total Operating Expenses	$ 5	$ 4	$ 3	$ 3	$ 16
FX Impact on Operating Income	$ (12)	$ (13)	$ (10)	$ (5)	$ (38)
Gross Margin by Segment:					
Platform Solutions and Emerging Business	$ 195	$ 180	$ 166	$ 176	$ 717
Architecture, Engineering and Construction	$ 156	$ 161	$ 169	$ 178	$ 664
Manufacturing	$ 128	$ 132	$ 130	$ 142	$ 532
Media and Entertainment	$ 37	$ 34	$ 35	$ 32	$ 138
Unallocated amounts	$ (12)	$ (12)	$ (12)	$ (14)	$ (50)
Common Stock Statistics (in millions):					
Common Shares Outstanding	224.4	222.5	224.6	226.7	226.7
Fully Diluted Weighted Average Shares Outstanding	229.3	228.3	227.7	231.1	229.6
Shares Repurchased	3.2	3.1	2.0	2.2	10.5

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

(b) Earnings per share were computed independently for each of the periods presented; therefore the sum of the earnings per share amounts for the quarters may not equal the total for the year.

(c) Prior amounts have been conformed to align with the current period presentation.

(1) To supplement our consolidated financial statements presented on a GAAP basis, Autodesk provides investors with certain non-GAAP measures including non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating margin, non-GAAP net income, and non-GAAP net income per share. These non-GAAP financial measures are adjusted to exclude certain costs, expenses, gains and losses, including stock-based compensation expense, restructuring charges, amortization of purchased intangibles, gain and loss on strategic investments, 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, 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 GAAP 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.

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2014
(2) GAAP Gross Margin	88 %	88 %	88 %	88 %	88 %
Stock-based compensation expense	— %	— %	— %	— %	— %
Amortization of developed technology	2 %	2 %	2 %	2 %	2 %
Non-GAAP Gross Margin	90 %	90 %	90 %	90 %	90 %
(3) GAAP Operating Expenses	$ 422	$ 410	$ 420	$ 463	$ 1,715
Stock-based compensation expense	(32)	(30)	(30)	(34)	(126)
Amortization of customer relationships and trade names	(11)	(9)	(7)	(9)	(37)
Restructuring (charges) benefits, net	—	(2)	(4)	(6)	(13)
Non-GAAP Operating Expenses	$ 378	$ 370	$ 378	$ 413	$ 1,539
(4) GAAP Operating Margin	14 %	15 %	12 %	9 %	13 %
Stock-based compensation expense	6 %	6 %	6 %	6 %	6 %
Amortization of developed technology	2 %	2 %	2 %	2 %	2 %
Amortization of customer relationships and trade names	2 %	1 %	1 %	2 %	1 %
Restructuring charges (benefits), net	— %	— %	1 %	1 %	— %
Non-GAAP Operating Margin	24 %	24 %	22 %	20 %	22 %
(5) GAAP Net Income	$ 56	$ 62	$ 58	$ 54	$ 229
Stock-based compensation expense	34	31	32	36	132
Amortization of developed technology	11	11	11	12	44
Amortization of customer relationships and trade names	11	9	7	9	37
Restructuring charges (benefits), net	—	2	4	6	13
(Gain) loss on strategic investments	1	—	—	1	2
Discrete GAAP tax provision items	(1)	1	(3)	(8)	(10)
Income tax effect of non-GAAP adjustments	(15)	(14)	(14)	(17)	(61)
Non-GAAP Net Income	$ 96	$ 102	$ 94	$ 93	$ 386
(6) GAAP Diluted Net Income Per Share	$ 0.24	$ 0.27	$ 0.25	$ 0.23	$ 1.00
Stock-based compensation expense	0.15	0.14	0.14	0.15	0.57
Amortization of developed technology	0.05	0.05	0.04	0.05	0.19
Amortization of customer relationships and trade names	0.05	0.04	0.03	0.04	0.16
Restructuring charges (benefits), net	—	0.01	0.02	0.03	0.06
(Gain) loss on strategic investments	—	—	—	—	—
Discrete GAAP tax provision items	—	—	(0.01)	(0.03)	(0.04)
Income tax effect of non-GAAP adjustments	(0.07)	(0.06)	(0.06)	(0.07)	(0.26)
Non-GAAP Diluted Net Income Per Share	$ 0.42	$ 0.45	$ 0.41	$ 0.40	$ 1.68

Reconciliation for Business Model Transition:

The following is a reconciliation of the year-over-year rates discussed within:

Impacted revenue line:	**Total Revenue**	**License and other revenue**	**Flagship**	**AEC**	**Deferred Revenue**

Stated year-over-year percent increase/(decrease)	(3)%	(12)%	(13)%	(6)%	8 %
Business Model Transition impact	5 %	9 %	10 %	14 %	(4)%
Normalized year-over-year percent increase/(decrease)	2 %	(3)%	(3)%	8 %	4 %

Impacted revenue by geography:	Americas	EMEA	APAC
Stated year-over-year percent increase/(decrease)	(6)%	(4)%	2 %
Business Model Transition impact	12 %	1 %	1 %
Normalized year-over-year percent increase/(decrease)	6 %	(3)%	3 %

Reconciliation for Guidance:

The following is a reconciliation of anticipated full year fiscal 2015 GAAP and non-GAAP operating margins:

FY15 Revenue Growth	**3%**	**5%**
GAAP operating margin	5 %	8 %
Stock-based compensation expense	6 %	5 %
Amortization of purchased intangibles	3 %	3 %
Restructuring charges	— %	— %
Non-GAAP operating margin	14 %	16 %

Reconciliation for Long Term Operating Margins:

Autodesk is not able to provide targets for our long term (ending with fiscal year 2018) GAAP operating margins at this time because of the difficulty of estimating certain items that are excluded from non-GAAP that affect operating margin, such as charges related to stock-based compensation expense and amortization of acquisition related intangibles, the effect of which may be significant.

AUTODESK, INC. (ADSK)
FOURTH QUARTER FISCAL 2014 EARNINGS ANNOUNCEMENT
February 26, 2014
PREPARED REMARKS

Autodesk is posting a copy of these prepared remarks and its press release to its Investor Relations 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, February 26, 2014 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.

Business Model Transition

During the latter part of fiscal year 2014, Autodesk announced a business model transition in which the company would provide more offerings including desktop subscriptions (formerly referred to as rentals), cloud subscriptions, and flexible license arrangements for enterprise customers, in addition to our existing perpetual license and maintenance subscription offerings. Over the next four years, we expect to significantly increase our subscription base and the annual value per subscription, which we believe will help drive billings growth. During the transition, revenue, deferred revenue, operating margin, and EPS will be impacted as more revenue is recognized ratably rather than up front and as new offerings bring a wider variety of price points.

Fourth Quarter Fiscal 2014 Overview

The fourth quarter marks the first full quarter of the business model transition (noted above). Fourth quarter revenue excludes approximately $30 million that was deferred as a result of the company's business model transition. The $30 million is related to enterprise flexible license arrangements with certain enterprise customers and had particular impact on license revenue in the Americas and the Architecture, Engineering and Construction (AEC) business segment.

Our fourth quarter results were highlighted by continued strong growth in suites and strong growth in Asia Pacific (APAC) on a constant currency basis. When normalized for the impact from the business model transition (noted above), our fourth quarter results also reflect solid demand in our AEC business segment and in the Americas. Fourth quarter cash flow from operations was also strong.

Fourth quarter performance included:

- Revenue was $587 million, a decrease of 3 percent compared to the fourth quarter last year as reported, and 2 percent on a constant currency basis. Normalized for the business model transition (noted above), revenue would have experienced approximately 2 percent year-over-year growth.

- GAAP operating margin was 9 percent, compared to 14 percent in the fourth quarter last year.

- Non-GAAP operating margin was 20 percent, compared to 25 percent in the fourth quarter last year.

- GAAP diluted earnings per share were $0.23, compared to $0.32 in the fourth quarter last year.

- Non-GAAP diluted earnings per share were $0.40, compared to $0.53 in the fourth quarter last year.

- Deferred revenue increased 8 percent to a record $901 million, compared to $835 million in the fourth quarter last year. Normalized for the business model transition (noted above), deferred revenue would have experienced approximately 4 percent year-over-year growth.

- Cash flow from operating activities increased 18 percent to $184 million, compared to $156 million in the fourth quarter last year.

Revenue Analysis

(in millions)	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	FY 2014
Total net revenue (1)	$ 607	$ 570	$ 562	$ 555	$ 587	$ 2,274
License and other revenue (2)	$ 365	$ 324	$ 313	$ 298	$ 321	$ 1,255
Subscription revenue (2)	$ 242	$ 247	$ 249	$ 258	$ 266	$ 1,019

(1) Totals may not agree with the sum of the components due to rounding.
(2) Effective in the first quarter of fiscal 2014, Autodesk reclassified certain revenue associated with cloud service offerings from "License and Other Revenue" to "Subscription Revenue." Prior period amounts have been revised to conform to the current period presentation. Subscription revenue includes maintenance and cloud-based revenue.

Total net revenue for the fourth quarter decreased 3 percent to $587 million, as compared to the fourth quarter last year as reported, and 2 percent on a constant currency basis. Normalized for the business model transition (noted above), revenue would have experienced approximately 2 percent year-over-year growth.

The fourth quarter last year benefited from approximately $24 million in additional revenue from a promotion run in advance of a change in upgrade pricing.

License and other revenue decreased 12 percent to $321 million, as compared to the fourth quarter last year. Normalized for the business model transition (noted above), license and other revenue would have experienced a decline of approximately 3 percent year-over-year.

Subscription revenue increased 10 percent to $266 million, as compared to the fourth quarter last year. The business model transition (noted above) did not have an impact on subscription revenue.

Net subscription billings (includes maintenance subscription and cloud subscription billings) increased 2 percent compared to the fourth quarter last year. The increase is related primarily to growth in both maintenance subscription and cloud subscription billings. Net subscription billings in the fourth quarter last year benefited from early maintenance renewals in advance of a pricing increase. Net subscription billings increased 61 percent sequentially. The sequential increase is primarily related to seasonally higher maintenance subscription billings. The business model transition (noted above) did not have an impact on net subscription billings.

Revenue by Geography (1)

(in millions)	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	FY 2014
Americas	$ 221	$ 202	$ 202	$ 208	$ 207	$ 819
EMEA	$ 238	$ 216	$ 202	$ 204	$ 229	$ 852
Asia Pacific	$ 148	$ 152	$ 158	$ 143	$ 150	$ 603
Emerging Economies	$ 84	$ 75	$ 86	$ 84	$ 88	$ 334
Emerging as a percentage of Total Revenue	14%	13%	15%	15%	15%	15%

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

Revenue in the Americas decreased 6 percent to $207 million, as compared to the fourth quarter last year. Normalized for the business model transition (noted above), revenue in the Americas would have experienced approximately 6 percent year-over-year growth with particular strength in the U.S.

Revenue in EMEA decreased 4 percent to $229 million, as compared to the fourth quarter last year as reported, and 6 percent on a constant currency basis. Normalized for the business model transition (noted above), revenue in EMEA would have experienced a decline of approximately 3 percent year-over-year.

Revenue in APAC increased 2 percent to $150 million, as compared to the fourth quarter last year as reported, and 10 percent on a constant currency basis. Normalized for the business model transition (noted above), revenue in APAC would have experienced approximately 3 percent year-over-year growth, with particular strength in Japan.

Revenue from emerging economies increased 5 percent to $88 million, as compared to the fourth quarter last year as reported, and 4 percent on a constant currency basis. The business model transition (noted above) did not have an impact on revenue from emerging economies. Among the BRIC countries, growth was led by India.

Revenue by Product Type (1)

(in millions)	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	FY 2014
Flagship (2)	$ 331	$ 312	$ 289	$ 275	$ 288	$ 1,164
Suites (2)	$ 188	$ 176	$ 193	$ 199	$ 216	$ 784
New and Adjacent (2)	$ 89	$ 82	$ 80	$ 82	$ 83	$ 326

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(1) Totals may not agree with the sum of the components due to rounding.
(2) The 2013 quarterly product category revenue amounts have been updated to conform with the current period's presentation.

As we have previously discussed, our customers continue to migrate to our Design and Creation Suites. As a result, revenue for many of our stand-alone products are negatively impacted, which impacts the growth of both Flagship and New and Adjacent categories.

Revenue from Flagship products decreased 13 percent to $288 million, compared to the fourth quarter last year. The year-over-year decline in Flagship was driven primarily by a decrease in AutoCAD, reflecting customer migration to our suites. Normalized for the business model transition (noted above), revenue from Flagship would have experienced a decrease of approximately 3 percent year-over-year.

Revenue from Suites was $216 million, or 37 percent of total revenue. Revenue from Suites increased 15 percent compared to the fourth quarter last year. Year-over-year growth in Suites was led by strong growth in AEC suites. The business model transition (noted above) did not have an impact on revenue from Suites.

Revenue from New and Adjacent products was $83 million and decreased 6 percent compared to the fourth quarter last year. The business model transition (noted above) did not have an impact on revenue from New and Adjacent.

Revenue by Business Segment

(in millions)	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	FY 2014
Platform Solutions and Emerging Business (1)	$ 197	$ 213	$ 197	$ 183	$ 196	$ 789
Architecture, Engineering and Construction (1)	$ 208	$ 172	$ 177	$ 186	$ 196	$ 731
Manufacturing	$ 155	$ 139	$ 144	$ 142	$ 154	$ 579
Media and Entertainment	$ 47	$ 47	$ 43	$ 44	$ 41	$ 175

(1) The 2013 quarterly segment revenue amounts have been updated to conform with the current period's presentation.

Revenue from our Platform Solutions and Emerging Business (PSEB) segment decreased 1 percent to $196 million, compared to the fourth quarter last year. Combined revenue from AutoCAD and AutoCAD LT was $171 million, an increase of 1 percent compared to the fourth quarter last year. Strength in AutoCAD LT was partially offset by a decline in AutoCAD. The decrease in AutoCAD in part reflects customer migration to our Design and Creation Suites. Revenue from PSEB suites increased 5 percent compared to the fourth quarter last year. The business model transition (noted above) did not have an impact on revenue from PSEB.

Revenue from our AEC business segment decreased 6 percent to $196 million, compared to the fourth quarter last year. Normalized for the business model transition (noted above), revenue from AEC would have experienced an increase of approximately 8 percent year-over-year. Revenue from our AEC suites increased 32 percent compared to the fourth quarter last year.

Revenue from our Manufacturing business segment was $154 million, flat compared to the fourth quarter last year. Revenue from our Manufacturing suites increased 4 percent compared to the fourth quarter last year. The business model transition (noted above) did not have an impact on revenue from Manufacturing.

Revenue from our Media and Entertainment (M&E) business segment decreased 12 percent to $41 million, compared to the fourth quarter last year. Revenue from our Animation products, including Maya, 3ds Max, and our Entertainment Creation Suites, decreased 5 percent compared to the fourth quarter last year. Revenue from Creative Finishing decreased 28 percent compared to the fourth quarter last year. The decrease in M&E revenue is related primarily to a general decrease in the M&E industry end-market demand and the planned inclusion of our M&E products in other Autodesk industry suites. The business model transition (noted above) did not have an impact on revenue from M&E.

Foreign Currency Impact (1)

(in millions)	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	FY 2014
FX Impact on Total Revenue	$ (15)	$ (17)	$ (17)	$ (13)	$ (8)	$ (54)
FX Impact on Cost of Revenue and Operating Expenses	$ 1	$ 5	$ 4	$ 3	$ 3	$ 16
FX Impact on Operating Income	$ (14)	$ (12)	$ (13)	$ (10)	$ (5)	$ (38)

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

The foreign currency impact represents the U.S. Dollar impact of changes in foreign currency rates on our financial results as well as the impact of gains and losses from our hedging program.

Compared to the fourth quarter of last year, the impact of foreign currency exchange rates including the impact of our hedging program was $8 million unfavorable on revenue and $3 million favorable on cost of revenue and operating expenses.

Compared to the third quarter of fiscal 2014, the impact of foreign currency exchange rates and hedging was neutral on revenue and $1 million unfavorable on cost of revenue and operating expenses.

Balance Sheet Items and Cash Review

(in millions)	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	FY 2014
Cash Flows from Operating Activities	$ 156	$ 224	$ 65	$ 91	$ 184	$ 564
Capital Expenditures	$ 12	$ 26	$ 17	$ 12	$ 9	$ 64
Depreciation, Amortization and Accretion	$ 35	$ 33	$ 32	$ 31	$ 33	$ 129
Total Cash and Marketable Securities, net of $750M debt	$ 1,615	$ 1,730	$ 1,658	$ 1,729	$ 1,794	$ 1,794
Days Sales Outstanding	74	46	49	50	66	66
Deferred Revenue	$ 835	$ 851	$ 806	$ 766	$ 901	$ 901

Net of long-term debt, total cash and investments at the end of the fourth quarter was approximately $1.8 billion. Approximately 75 percent of the total cash and investments is located offshore and will fluctuate subject to business needs.
During the fourth quarter, Autodesk used $105 million to repurchase approximately 2.2 million shares of common stock at an average repurchase price of $47.29 per share. For the full year, Autodesk used approximately $424 million to repurchase approximately 10.5 million shares of common stock at an average price of $40.43 per share. Through this stock repurchase program, Autodesk remains committed to returning excess cash to our stockholders and reducing shares outstanding over time.

Cash flow from operating activities during the fourth quarter was $184 million, an increase of 18 percent compared to the fourth quarter last year and an increase of 103 percent sequentially. The year-over-year increase is primarily related to changes in billings linearity and strong cash collections. The sequential increase is primarily related to seasonal changes in deferred revenue.

Days sales outstanding (DSO) was 66 days, which was a decrease of 8 days as compared to the fourth quarter last year and an increase of 16 days sequentially. The year-over-year decrease is primarily related to changes in billings linearity and strong cash collections resulting in a lower accounts receivable balance compared to the prior year. The sequential increase is primarily the result of seasonally strong maintenance billings.

Deferred revenue increased 8 percent to a record $901 million, compared to the fourth quarter last year. The year-over-year increase is primarily related to a net increase in subscription billings over the past four quarters. Normalized for the business model transition (noted above), deferred revenue would have experienced approximately 4 percent year-over-year growth.

Backlog was $20 million, flat compared to the fourth quarter last year and an increase of $17 million sequentially. At the end of the fourth quarter, channel inventory remained approximately one week.

Margins and EPS Review (1)

	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	FY 2014
Gross Margin						
Gross Margin - GAAP	90%	88%	88%	88%	88%	88%
Gross Margin - Non-GAAP	92%	90%	90%	90%	90%	90%
Operating Expenses (in millions)						
Operating Expenses - GAAP	$ 460	$ 422	$ 410	$ 420	$ 463	$ 1,715
Operating Expenses - Non-GAAP	$ 404	$ 378	$ 370	$ 378	$ 413	$ 1,539
Operating Margin						
Operating Margin - GAAP	14%	14%	15%	12%	9%	13%
Operating Margin - Non-GAAP	25%	24%	24%	22%	20%	22%
Earnings Per Share						
Diluted Net Income Per Share - GAAP	$ 0.32	$ 0.24	$ 0.27	$ 0.25	$ 0.23	$ 1.00
Diluted Net Income Per Share - Non-GAAP	$ 0.53	$ 0.42	$ 0.45	$ 0.41	$ 0.40	$ 1.68

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

GAAP gross margin in the fourth quarter was 88 percent. Non-GAAP gross margin in the fourth quarter was 90 percent. The year-over-year decrease in both GAAP and non-GAAP gross margin is primarily related to lower revenue related to the business model transition (noted above) and higher cloud-related costs.

GAAP operating expenses increased 1 percent year-over-year primarily related to higher employee related costs partially offset by various one-time credit items. GAAP operating expenses increased 10 percent sequentially primarily related to seasonally higher sales commissions and employee related costs.

Non-GAAP operating expenses increased 2 percent year-over-year primarily related to higher employee related costs. Non-GAAP operating expenses increased 9 percent sequentially primarily related to seasonally higher sales commissions and employee related costs.

GAAP operating margin was 9 percent, compared to 14 percent in the fourth quarter last year. Non-GAAP operating margin was 20 percent, compared to 25 percent in the fourth quarter last year. The year-over-year decrease in both GAAP and non-GAAP operating margin is primarily related to lower revenue related to the business model transition (noted above) and higher cloud-related costs. Foreign currency exchange had a negative impact on GAAP operating margin of approximately 60 basis points and non-GAAP operating margin of approximately 50 basis points, compared to the fourth quarter last year.

The fourth quarter effective tax rate was 4 percent and 22 percent for GAAP and non-GAAP, respectively. The GAAP and non-GAAP effective tax rates were lower than expected due to the geographic mix of earnings and the resulting cumulative tax rate benefit recorded in the fourth quarter. One-time discrete items also reduced the GAAP rate.

GAAP earnings per diluted share for the fourth quarter were $0.23. Non-GAAP earnings per diluted share for the fourth quarter were $0.40.

The share count used to compute basic net income per share was 225.5 million. The share count used to compute diluted net income per share was 231.1 million.

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

Business Outlook

The following are forward-looking statements based on current expectations and assumptions, and involve risks and uncertainties some of which are set forth below. Autodesk's business outlook for the first quarter and full year fiscal 2015 assumes, among other things, a continuation of the current economic environment and foreign exchange currency rate environment, and interest expense related to Autodesk's $750 million debt offering in December 2012.

First Quarter Fiscal 2015
First quarter EPS guidance includes the dilutive impact of the Delcam acquisition.

Q1 FY15 Guidance Metrics	**Q1 FY15 (ending April 30, 2014)**
Revenue (in millions)	$560-$575
EPS GAAP	$0.01-$0.04
EPS Non-GAAP (1)	$0.19-$0.22

(1) Non-GAAP earnings per diluted share exclude $0.11 related to stock-based compensation expense, $0.06 for the amortization of acquisition related intangibles, and $0.01 related to restructuring charges.

The majority of the projected euro, yen and Australian dollar denominated net revenue for our first quarter fiscal 2015 has been hedged, which should materially reduce the impact of currency fluctuations on our first quarter results. However, over an extended period of time, currency fluctuations will increasingly impact our results. We also hedge certain expenses as noted below. We hedge our net exposures using a four quarter rolling layered hedge program. As such, a portion of the projected euro, yen, and Australian dollar denominated net revenue for our fiscal 2015 has been hedged. The closer to the current time period, the more we are hedged. See below for more details on our foreign currency hedging program.

Full Year Fiscal 2015

FY15 Guidance Metrics	**FY15 (ending January 31, 2015)**
Net billings growth	5-8%
Revenue growth	3-5%
GAAP operating margin	5-8%
Non-GAAP operating margin	14-16%
Net new subscription additions	150,000-200,000

A reconciliation between the GAAP and non-GAAP estimates for fiscal 2015 is provided in the tables following this press release.

Both the first quarter and full year fiscal 2015 outlook assumes projected annual effective tax rates of approximately 25.5 percent for both GAAP and non-GAAP results. These rates do not include one-time discrete items or the federal R&D tax credit that expired on December 31, 2013.

Autodesk's Foreign Currency Hedging Program and Calculation of Constant Currency Growth

Given continued foreign exchange volatility, we would like to provide a brief summary of how we handle foreign currency exchange hedging as well as a description of how we calculate constant currency growth rates. A few points on our hedging program include:

- We do not conduct foreign currency exchange hedging for speculative purposes. The purpose of our hedging program is to reduce risk from foreign denominated cash flows and to partially reduce variability that would otherwise impact our financial results from currency fluctuations.

- We utilize cash flow hedges on projected billings and certain projected operating expenses in major currencies. We hedge our net exposures using a four quarter rolling layered hedge. The closer to the current time period, the more we are hedged.

- The major currencies we hedge include the euro, yen, pound sterling, Australian dollar, Canadian dollar, and Swiss franc. The euro is the primary exposure for the company.

When we report period-over-period growth rate percentages on a constant currency basis, we attempt to represent the changes in the underlying business operations by eliminating fluctuations caused by changes in foreign currency exchange rates as well as eliminating hedge gains or losses recorded within the current and comparative period. However, when we calculate the foreign currency impact of exchange rates in the current and comparative period on our financial results (See table above in “Foreign Currency Impact” section) we include the U.S. Dollar impact of fluctuations in foreign currency exchange rates as well as the impact of gains and losses recorded as a result of our hedging program.

Autodesk’s Product Type Classification

The following represents Autodesk’s current view for product categorization. Autodesk will periodically make changes to this list. This is not a complete list.

“Flagship” includes the following products:

- 3ds Max®
- AutoCAD®
- AutoCAD LT®
- AutoCAD® vertical products such as AutoCAD® Mechanical and AutoCAD® Architecture
- Civil 3D®
- Inventor® products (standalone)
- Maya®
- Plant 3D
- Revit® products (standalone)

“Suites” include the following product classes:

- AutoCAD® Design Suites
- Building Design Suites
- Educational/academic suites
- Entertainment Creation Suites
- Factory Design Suites
- Infrastructure Design Suites

- Inventor® family suites
- Plant Design Suites
- Product Design Suites
- Revit® family suites

“New and Adjacent” includes the following products and services:

- Alias® Design products
- Autodesk® 360 products
- Autodesk® Consulting
- Autodesk® Simulation Mechanical
- Autodesk® Simulation Multiphysics
- Buzzsaw®
- CF Design
- Constructware®
- Consumer products
- Creative Finishing products
- Moldflow® products
- Navisworks®
- Scaleform®
- Vault products
- All other products

Glossary of Terms

License and Other revenue: License and other revenue consists of two components: all forms of product license revenue and other revenue. Product license revenue includes: software license revenue from the sale of new seat licenses and upgrades. Other revenue consists of revenue from Creative Finishing, consulting and training services.

Subscription revenue: Our subscription revenue consists of two components: maintenance revenue for our software products and revenue for our cloud service offerings, including Autodesk 360.

Maintenance subscription: Our maintenance program provides our commercial and educational customers with a cost effective and predictable budgetary option to obtain the productivity benefits of our new releases and enhancements when and if released during the term of their contracts. Under our maintenance program, customers are eligible to receive unspecified upgrades when and if available, downloadable training courses and online support. We recognize maintenance revenue over the term of the agreements, generally between one and three years.

Safe Harbor Statement

These prepared remarks contain forward-looking statements that involve risks and uncertainties, including statements in the paragraphs under “Business Outlook” above, statements regarding revenue growth, our business model transition, billings growth, annual subscription value growth, subscription growth, demand for and adoption of cloud and mobile-based services, trends (including by geography, product, product type, and end user), the impact of general seasonality on the timing of future revenues, the impact of foreign exchange hedges, and other statements regarding our strategies, market and products positions, performance and results.

There are a significant number of factors that could cause actual results to differ materially from statements made in these remarks, including: general market, political, economic and business conditions; failure to maintain our revenue growth and profitability; failure to successfully manage transitions to new business models and markets, including the introduction of additional ratable revenue streams and our continuing efforts to attract customers to our cloud-based offerings and expenses related to the transition of our business model;
failure to maintain cost reductions and productivity increases or otherwise control our expenses; our performance in particular geographies, including emerging economies; the ability of governments around the world to meet their financial and debt obligations, and finance infrastructure projects; weak or negative growth in the industries we serve; slowing momentum in subscription billings or revenues; difficulty in predicting revenue from new businesses and the potential impact on our financial results from changes in our business models; difficulties encountered in integrating new or acquired businesses and technologies; the inability to identify and realize the anticipated benefits of acquisitions; the financial and business condition of our reseller and distribution channels; dependence on and the timing of large transactions; fluctuation in foreign currency exchange rates; the success of our foreign currency hedging program; failure to achieve sufficient sell-through in our channels for new or existing products; pricing pressure; unexpected fluctuations in our tax rate; the timing and degree of expected investments in growth and efficiency opportunities; changes in the timing of product releases and retirements; and any unanticipated accounting charges.

Further information on potential factors that could affect the financial results of Autodesk are included in Autodesk's Annual Report on Form 10-K for the year ended January 31, 2013 and Forms 10-Q for the quarters ended April 30, July 31, 2013 and October 31, 2013, 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.

Autodesk, Inc.

Other Supplemental Financial Information (a)

Fiscal Year 2014	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2014
Financial Statistics ($ in millions, except per share data):					
Total Net Revenue:	$ 570	$ 562	$ 555	$ 587	$ 2,274
License and Other Revenue	$ 324	$ 313	$ 298	$ 321	$ 1,255
Subscription Revenue	$ 247	$ 249	$ 258	$ 266	$ 1,019
GAAP Gross Margin	88 %	88 %	88 %	88 %	88 %
Non-GAAP Gross Margin (1)(2)	90 %	90 %	90 %	90 %	90 %
GAAP Operating Expenses	$ 422	$ 410	$ 420	$ 463	$ 1,715
GAAP Operating Margin	14 %	15 %	12 %	9 %	13 %
GAAP Net Income	$ 56	$ 62	$ 58	$ 54	$ 229
GAAP Diluted Net Income Per Share (b)	$ 0.24	$ 0.27	$ 0.25	$ 0.23	$ 1.00
Non-GAAP Operating Expenses (1)(3)	$ 378	$ 370	$ 378	$ 413	$ 1,539
Non-GAAP Operating Margin (1)(4)	24 %	24 %	22 %	20 %	22 %
Non-GAAP Net Income (1)(5)(c)	$ 96	$ 102	$ 94	$ 93	$ 386
Non-GAAP Diluted Net Income Per Share (1)(6)(b)(c)	$ 0.42	$ 0.45	$ 0.41	$ 0.40	$ 1.68
Total Cash and Marketable Securities	$ 2,480	$ 2,408	$ 2,479	$2,544	$ 2,544
Days Sales Outstanding	46	49	50	66	66
Capital Expenditures	$ 26	$ 17	$ 12	$ 9	$ 64
Cash Flow from Operating Activities	$ 224	$ 65	$ 91	$ 184	$ 564
GAAP Depreciation, Amortization and Accretion	$ 33	$ 32	$ 31	$ 33	$ 129
Deferred Subscription Revenue Balance (c)	$ 775	$ 736	$ 699	$ 789	$ 789
Revenue by Geography:					
Americas	$ 202	$ 202	$ 208	$ 207	$ 819
Europe, Middle East and Africa	$ 216	$ 202	$ 204	$ 229	$ 852
Asia Pacific	$ 152	$ 158	$ 143	$ 150	$ 603
% of Total Rev from Emerging Economies	13 %	15 %	15 %	15 %	15 %
Revenue by Segment:					
Platform Solutions and Emerging Business	$ 213	$ 197	$ 183	$ 196	$ 789
Architecture, Engineering and Construction	$ 172	$ 177	$ 186	$ 196	$ 731
Manufacturing	$ 139	$ 144	$ 142	$ 154	$ 579
Media and Entertainment	$ 47	$ 43	$ 44	$ 41	$ 175

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2014
Other Revenue Statistics:					
% of Total Rev from Flagship	55 %	51 %	50 %	49 %	51 %
% of Total Rev from Suites	31 %	34 %	36 %	37 %	34 %
% of Total Rev from New and Adjacent	14 %	14 %	15 %	14 %	14 %
% of Total Rev from AutoCAD and AutoCAD LT	34 %	31 %	29 %	29 %	30 %
Favorable (Unfavorable) Impact of U.S. Dollar Translation Relative to Foreign Currencies Compared to Comparable Prior Year Period:					
FX Impact on Total Net Revenue	$ (17)	$ (17)	$ (13)	$ (8)	$ (54)
FX Impact on Cost of Revenue and Total Operating Expenses	$ 5	$ 4	$ 3	$ 3	$ 16
FX Impact on Operating Income	(12)	(13)	(10)	(5)	(38)
Gross Margin by Segment:					
Platform Solutions and Emerging Business	$ 195	$ 180	$ 166	$ 176	$ 717
Architecture, Engineering and Construction	$ 156	$ 161	$ 169	$ 178	$ 664
Manufacturing	$ 128	$ 132	$ 130	$ 142	$ 532
Media and Entertainment	$ 37	$ 34	$ 35	$ 32	$ 138
Unallocated amounts	$ (12)	$ (12)	$ (12)	$ (14)	$ (50)
Common Stock Statistics (in millions):					
Common Shares Outstanding	224.4	222.5	224.6	226.7	226.7
Fully Diluted Weighted Average Shares Outstanding	229.3	228.3	227.7	231.1	229.6
Shares Repurchased	3.2	3.1	2.0	2.2	10.5

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

(b) Earnings per share were computed independently for each of the periods presented; therefore the sum of the earnings per share amounts for the quarters may not equal the total for the year.

(c) Prior amounts have been conformed to align with the current period presentation.

(1) To supplement our consolidated financial statements presented on a GAAP basis, Autodesk provides investors with certain non-GAAP measures including non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating margin, non-GAAP net income, and non-GAAP net income per share. These non-GAAP financial measures are adjusted to exclude certain costs, expenses, gains and losses, including stock-based compensation expense, restructuring charges, amortization of purchased intangibles, gain and loss on strategic investments, 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, 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 GAAP 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.

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2014
(2) GAAP Gross Margin	88 %	88 %	88 %	88 %	88 %
Stock-based compensation expense	— %	— %	— %	— %	— %
Amortization of developed technology	2 %	2 %	2 %	2 %	2 %

Non-GAAP Gross Margin	90 %	90 %	90 %	90 %	90 %
(3) GAAP Operating Expenses	$ 422	$ 410	$ 420	$ 463	$ 1,715
Stock-based compensation expense	(32)	(30)	(30)	(34)	(126)
Amortization of customer relationships and trade names	(11)	(9)	(7)	(9)	(37)
Restructuring (charges) benefits, net	—	(2)	(4)	(6)	(13)
Non-GAAP Operating Expenses	$ 378	$ 370	$ 378	$ 413	$ 1,539
(4) GAAP Operating Margin	14 %	15 %	12 %	9 %	13 %
Stock-based compensation expense	6 %	6 %	6 %	6 %	6 %
Amortization of developed technology	2 %	2 %	2 %	2 %	2 %
Amortization of customer relationships and trade names	2 %	1 %	1 %	2 %	1 %
Restructuring charges (benefits), net	— %	— %	1 %	1 %	— %
Non-GAAP Operating Margin	24 %	24 %	22 %	20 %	22 %
(5) GAAP Net Income	$ 56	$ 62	$ 58	$ 54	$ 229
Stock-based compensation expense	34	31	32	36	132
Amortization of developed technology	11	11	11	12	44
Amortization of customer relationships and trade names	11	9	7	9	37
Restructuring charges (benefits), net	—	2	4	6	13
(Gain) loss on strategic investments	1	—	—	1	2
Discrete GAAP tax provision items	(1)	1	(3)	(8)	(10)
Income tax effect of non-GAAP adjustments	(15)	(14)	(14)	(17)	(61)
Non-GAAP Net Income	$ 96	$ 102	$ 94	$ 93	$ 386
(6) GAAP Diluted Net Income Per Share	$ 0.24	$ 0.27	$ 0.25	$ 0.23	$ 1.00
Stock-based compensation expense	0.15	0.14	0.14	0.15	0.57
Amortization of developed technology	0.05	0.05	0.04	0.05	0.19
Amortization of customer relationships and trade names	0.05	0.04	0.03	0.04	0.16
Restructuring charges (benefits), net	—	0.01	0.02	0.03	0.06
(Gain) loss on strategic investments	—	—	—	—	—
Discrete GAAP tax provision items	—	—	(0.01)	(0.03)	(0.04)
Income tax effect of non-GAAP adjustments	(0.07)	(0.06)	(0.06)	(0.07)	(0.26)
Non-GAAP Diluted Net Income Per Share	$ 0.42	$ 0.45	$ 0.41	$ 0.40	$ 1.68

Reconciliation for Business Model Transition:

The following is a reconciliation of the year-over-year rates discussed within:

Impacted revenue line:	**Total Revenue**	**License and other revenue**	**Flagship**	**AEC**	**Deferred Revenue**
Stated year-over-year percent increase/(decrease)	(3)%	(12)%	(13)%	(6)%	8 %
Business Model Transition impact	5 %	9 %	10 %	14 %	(4)%
Normalized year-over-year percent increase/(decrease)	2 %	(3)%	(3)%	8 %	4 %

Impacted revenue by geography:	**Americas**	**EMEA**	**APAC**
Stated year-over-year percent increase/(decrease)	(6)%	(4)%	2 %
Business Model Transition impact	12 %	1 %	1 %
Normalized year-over-year percent increase/(decrease)	6 %	(3)%	3 %

Reconciliation for Guidance:

The following is a reconciliation of anticipated full year fiscal 2015 GAAP and non-GAAP operating margins:

FY15 Revenue Growth	**3%**	**5%**
GAAP operating margin	5 %	8 %
Stock-based compensation expense	6 %	5 %
Amortization of purchased intangibles	3 %	3 %
Restructuring charges	— %	— %
Non-GAAP operating margin	14 %	16 %

Reconciliation for Long Term Operating Margins:

Autodesk is not able to provide targets for our long term (ending with fiscal year 2018) GAAP operating margins at this time because of the difficulty of estimating certain items that are excluded from non-GAAP that affect operating margin, such as charges related to stock-based compensation expense and amortization of acquisition related intangibles, the effect of which may be significant.

Fiscal Year 2013	**QTR 1**	**QTR 2**	**QTR 3**	**QTR 4**	**YTD 2013**
Financial Statistics ($ in millions, except per share data):					
Total Net Revenue:	$ 589	$ 569	$ 548	$ 607	$ 2,312
License and Other Revenue (c)	$ 355	$ 334	$ 310	$ 365	$ 1,364
Subscription Revenue (c)	$ 233	$ 235	$ 238	$ 242	$ 948
GAAP Gross Margin	90 %	89 %	89 %	90 %	90 %
Non-GAAP Gross Margin (1)(2)	92 %	91 %	91 %	92 %	92 %
GAAP Operating Expenses	$ 436	$ 416	$ 456	$ 460	$ 1,768
GAAP Operating Margin	16 %	16 %	6 %	14 %	13 %
GAAP Net Income	$ 79	$ 65	$ 29	$ 75	$ 248
GAAP Diluted Net Income Per Share (b)	$ 0.34	$ 0.28	$ 0.13	$ 0.32	$ 1.07
Non-GAAP Operating Expenses (1)(3)	$ 396	$ 376	$ 355	$ 404	$ 1,531
Non-GAAP Operating Margin (1)(4)	25 %	25 %	27 %	25 %	25 %
Non-GAAP Net Income (1)(5)(c)	$ 109	$ 111	$ 109	$ 121	$ 450
Non-GAAP Diluted Net Income Per Share (1)(6)(b)(c)	$ 0.47	$ 0.48	$ 0.47	$ 0.53	$ 1.94
Total Cash and Marketable Securities	$ 1,796	$ 1,717	$ 1,737	$2,365	$ 2,365
Days Sales Outstanding	46	58	49	74	74
Capital Expenditures	$ 12	$ 17	$ 17	$ 12	$ 56
Cash Flow from Operating Activities	$ 139	$ 107	$ 157	$ 156	$ 559
GAAP Depreciation, Amortization and Accretion	$ 29	$ 29	$ 35	$ 35	$ 128
Deferred Subscription Revenue Balance (c)	$ 658	$ 687	$ 648	$ 753	$ 753
Revenue by Geography:					
Americas	$ 208	$ 199	$ 209	$ 221	$ 836
Europe, Middle East and Africa	$ 224	$ 210	$ 196	$ 238	$ 869
Asia Pacific	$ 157	$ 161	$ 142	$ 148	$ 608

% of Total Rev from Emerging Economies	14 %	15 %	15 %	14 %	14 %
Revenue by Segment:					
Platform Solutions and Emerging Business (c)	$ 227	$ 216	$ 203	$ 197	$ 843
Architecture, Engineering and Construction (c)	$ 166	$ 163	$ 165	$ 208	$ 701
Manufacturing	$ 146	$ 141	$ 132	$ 155	$ 574
Media and Entertainment	$ 51	$ 49	$ 48	$ 47	$ 194
Other Revenue Statistics (c):					
% of Total Rev from Flagship (d)	58 %	57 %	55 %	54 %	56 %
% of Total Rev from Suites	28 %	29 %	30 %	31 %	30 %
% of Total Rev from New and Adjacent (d)	14 %	14 %	15 %	15 %	15 %
% of Total Rev from AutoCAD and AutoCAD LT	35 %	34 %	33 %	29 %	33 %
Favorable (Unfavorable) Impact of U.S. Dollar Translation Relative to Foreign Currencies Compared to Comparable Prior Year Period:					
FX Impact on Total Net Revenue	$ 14	$ (1)	$ (10)	$ (15)	$ (12)
FX Impact on Cost of Revenue and Total Operating Expenses	$ (2)	$ 6	$ 7	$ 1	$ 12
FX Impact on Operating Income	$ 12	$ 5	(3)	$ (14)	$ —
Gross Margin by Segment (c):					
Platform Solutions and Emerging Business	$ 214	$ 202	$ 190	$ 182	$ 788
Architecture, Engineering and Construction	$ 151	$ 149	$ 151	$ 192	$ 643
Manufacturing	$ 134	$ 130	$ 122	$ 145	$ 531
Media and Entertainment	$ 42	$ 39	$ 38	$ 38	$ 157
Unallocated amounts	$ (11)	$ (11)	$ (11)	$ (12)	$ (45)
Common Stock Statistics (in millions):					
Common Shares Outstanding	229.7	226.7	224.5	223.6	223.6
Fully Diluted Weighted Average Shares Outstanding	234.1	232.1	229.9	229.6	231.7
Shares Repurchased	2.5	3.4	4.0	2.6	12.5

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

(b) Earnings per share were computed independently for each of the periods presented; therefore the sum of the earnings per share amounts for the quarters may not equal the total for the year.

(c) Prior amounts have been conformed to align with the current period presentation.

(d) The first three quarters of 2013 percentages have been updated to reflect an adjustment implemented after we reported our results of operations for the third quarter of fiscal 2013.

(1) To supplement our consolidated financial statements presented on a GAAP basis, Autodesk provides investors with certain non-GAAP measures including non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating margin, non-GAAP net income, and non-GAAP net income per share. These non-GAAP financial measures are adjusted to exclude certain costs, expenses, gains and losses, including stock-based compensation expense, restructuring charges, amortization of purchased intangibles, gain and loss on strategic investments, 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, 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.

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2013
(2) GAAP Gross Margin	90 %	89 %	89 %	90 %	90 %
Stock-based compensation expense	—%	—%	—%	—%	—%
Amortization of developed technology	2 %	2 %	2 %	2 %	2 %
Non-GAAP Gross Margin	92 %	91 %	91 %	92 %	92 %
(3) GAAP Operating Expenses	$ 436	$ 416	$ 456	$ 460	$ 1,768
Stock-based compensation expense	(32)	(32)	(51)	(36)	(151)
Amortization of customer relationships and trade names	(8)	(8)	(14)	(13)	(42)
Restructuring (charges) benefits, net	—	—	(37)	(7)	(44)
Non-GAAP Operating Expenses	$ 396	$ 376	$ 355	$ 404	$ 1,531
(4) GAAP Operating Margin	16 %	16 %	6 %	14 %	13 %
Stock-based compensation expense	6 %	6 %	10 %	6 %	7 %
Amortization of developed technology	2 %	2 %	2 %	2 %	1 %
Amortization of customer relationships and trade names	1 %	1 %	2 %	2 %	2 %
Restructuring charges (benefits), net	—%	—%	7 %	1 %	2 %
Non-GAAP Operating Margin	25 %	25 %	27 %	25 %	25 %
(5) GAAP Net Income	$ 79	$ 65	$ 29	$ 75	$ 248
Stock-based compensation expense	33	34	52	38	156
Amortization of developed technology	10	10	10	10	40
Amortization of customer relationships and trade names	8	8	14	13	42
Restructuring charges (benefits), net	—	—	37	7	44
(Gain) loss on strategic investments (7)	(1)	5	—	—	4
Discrete GAAP tax provision items	(6)	3	(16)	(8)	(27)
Income tax effect of non-GAAP adjustments	(14)	(12)	(17)	(14)	(57)
Non-GAAP Net Income	$ 109	$ 111	$ 109	$ 121	$ 450
(6) GAAP Diluted Net Income Per Share	$ 0.34	$ 0.28	$ 0.13	$ 0.32	$ 1.07
Stock-based compensation expense	0.14	0.15	0.23	0.16	0.67

Amortization of developed technology	0.04	0.04	0.04	0.05	0.18
Amortization of customer relationships and trade names	0.03	0.03	0.06	0.05	0.18
Restructuring charges (benefits), net	—	—	0.15	0.03	0.18
(Gain) loss on strategic investments (7)	—	0.02	—	—	0.02
Discrete GAAP tax provision items	(0.03)	0.01	(0.07)	(0.02)	(0.12)
Income tax effect of non-GAAP adjustments	(0.05)	(0.05)	(0.07)	(0.06)	(0.24)
Non-GAAP Diluted Net Income Per Share	$ 0.47	$ 0.48	$ 0.47	$ 0.53	$ 1.94

(7) Effective in the second quarter of fiscal 2013, Autodesk began excluding gains and losses on strategic investments for purposes of its non-GAAP financial measures. Prior period non-GAAP interest and other income (expense), net, net income and earnings per share amounts have been revised to conform to the current period presentation.