

**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)

August 12, 2010

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))
-

Item 2.02. Results of Operations and Financial Condition.

On August 12, 2010, Autodesk, Inc. (“Autodesk” or the “Company”) issued a press release and prepared remarks reporting financial results for the second quarter ended July 31, 2010. 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 non-GAAP measures that do not include: (a) stock-based compensation expenses, (b) amortization of purchased intangibles and purchases of technology, (c) goodwill impairment, (d) restructuring charges, (e) establishment of a valuation allowance on certain net deferred tax assets, (f) discrete tax items, and (g) the income tax effects on the difference between GAAP and non-GAAP costs and expenses. Autodesk’s management uses 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-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.

B. *Amortization of purchased intangibles and purchases of technology.* Autodesk incurs amortization of acquisition-related purchased intangible assets, 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. *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.

E. *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.

F. *Discrete tax items.* Autodesk excludes its GAAP tax provision, including discrete items, from its non-GAAP measure of income, and includes a non-GAAP tax provision based upon its projected annual non-GAAP effective tax rate. Management believes this approach assists investors in understanding the tax provision and the effective tax rate related to the Company's ongoing operations.

G. *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 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 12, 2010.
99.2	Prepared Remarks dated as of August 12, 2010.

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 12, 2010

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated as of August 12, 2010.
99.2	Prepared Remarks dated as of August 12, 2010.

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

Press: Noah Cole, noah.cole@autodesk.com, 503-707-3872

AUTODESK REPORTS 14 PERCENT YEAR OVER YEAR REVENUE GROWTH

Significant operating margin, profitability, and cash flow growth

SAN RAFAEL, Calif., August 12, 2010-- Autodesk, Inc. (NASDAQ: ADSK) today reported financial results for the second quarter of fiscal 2011.

- Revenue was \$473 million, an increase of 14 percent compared to the second quarter of fiscal 2010 and approximately flat sequentially.
- GAAP operating margin was 17 percent, compared to 1 percent in the second quarter last year and 11 percent in the first quarter of fiscal 2011.
- Non-GAAP operating margin was 25 percent, compared to 16 percent in the second quarter last year and 20 percent in the first quarter of fiscal 2011. A reconciliation of GAAP to non-GAAP results is provided in the accompanying tables.
- GAAP diluted earnings per share were \$0.25, compared to GAAP diluted earnings per share of \$0.05 in the second quarter of fiscal 2010 and GAAP diluted earnings per share of \$0.16 in the first quarter of fiscal 2011.
- Non-GAAP diluted earnings per share were \$0.36, compared to non-GAAP diluted earnings per share of \$0.24 in the second quarter of fiscal 2010, and non-GAAP diluted earnings per share of \$0.29 in the first quarter of fiscal 2011.
- Operating cash flow was \$112 million, an increase of 136 percent compared to the second quarter last year and a 20 percent decrease sequentially.

“Our focus on growing our revenue base while controlling costs resulted in better than expected revenue and profitability in the second quarter,” said Carl Bass, Autodesk president and CEO. “Although the pace of the global recovery is varied by country, we are pleased that we achieved revenue growth in all of our major geographies. We experienced strong year-over-year growth in many key areas including operating margin, revenue from commercial new licenses, and cash flow from operations. Our results reflect the traction that we are gaining in both new and existing accounts.”

Operational Overview

The following sequential revenue comparisons were negatively impacted by a one-time benefit of approximately \$15 million in upgrade revenue related promotions and a price change in the first quarter.

EMEA revenue was \$189 million and increased 20 percent compared to the second quarter of fiscal 2010 as reported and 19 percent on a constant currency basis. EMEA revenue decreased 5 percent sequentially as reported and 4 percent on a constant currency basis.

Revenue in the Americas was \$168 million and increased 6 percent compared to the second quarter of fiscal 2010 and 4 percent sequentially.

Revenue in Asia Pacific was \$116 million and increased 17 percent compared to the second quarter of fiscal 2010 as reported and 14 percent on a constant currency basis. Revenue in Asia Pacific increased 1 percent sequentially as reported and 2 percent on a constant currency basis.

Revenue from emerging economies was \$71 million, an increase of 13 percent compared to the second quarter of fiscal 2010 as reported and 14 percent on a constant currency basis. Revenue from emerging economies increased 5 percent sequentially as reported and 6 percent on a constant currency basis. Revenue from emerging economies represented 15 percent of total revenue in the second quarter.

All constant currency calculations remove the impact of foreign currency fluctuations and any gains or losses recorded to revenue within the current period as a result of Autodesk's hedging program.

Revenue from the Platform Solutions and Emerging Business segment was \$177 million, an increase of 19 percent compared to the second quarter last year and a decrease of 3 percent sequentially. Revenue from the AEC business segment was \$133 million, an increase of 8 percent compared to the second quarter last year and a decrease of 3 percent sequentially. Revenue from the Manufacturing business segment was \$113 million, an increase of 18 percent compared to the second quarter last year and 4 percent sequentially. Revenue from the Media and Entertainment business segment was \$50 million, an increase of 6 percent compared to the second quarter last year and 8 percent sequentially.

Second quarter operating margins improved significantly year-over-year. The 16 percentage point improvement in GAAP operating margin was driven primarily by higher revenue and lower restructuring charges in the current quarter. The 9 percentage point year-over-year improvement in non-GAAP operating margin was driven primarily by higher revenue.

Cash flow from operations was \$112 million in the second quarter this year. Autodesk's cash and investments balance at the end of the second quarter was \$1.3 billion.

"In the first half of fiscal 2011 we achieved significant year-over-year growth in revenue, cash flow and EPS," continued Bass. "As we enter the second half of fiscal 2011, we are optimistic about continued revenue growth opportunities and believe that we will deliver significant growth in annual operating margins over the prior year. We will also balance our cost control with essential investments in the business with a focus on revenue generating opportunities."

Business Outlook

The following statements are forward-looking statements that are based on current expectations and assumptions, and involve risks and uncertainties some of which are set forth below. Autodesk is only providing revenue and earnings per share guidance for its fiscal third quarter of 2011 at this time.

Third Quarter Fiscal 2011

Net revenue for the third quarter of fiscal 2011 is expected to be in the range of \$450 million and \$475 million. GAAP earnings per diluted share are expected to be in the range of \$0.18 and \$0.23. Non-GAAP earnings per diluted share are expected to be in the range of \$0.28 and \$0.33 and exclude \$0.06 related to stock-based compensation expense, and \$0.04 for the amortization of acquisition related intangibles.

Third quarter outlook assumes an effective tax rate of 25 percent for GAAP results and an effective tax rate of 27 percent for non-GAAP results.

Full Year Fiscal 2011

Autodesk is not providing specific revenue or EPS guidance for fiscal 2011 at this time. However, Autodesk anticipates GAAP operating margin to increase significantly for the full year fiscal 2011 compared to fiscal 2010. Autodesk anticipates non-GAAP operating margin to increase between 400 and 450 basis points for full year fiscal 2011 compared to fiscal 2010. Non-GAAP operating margin excludes stock-based compensation expense, amortization of acquisition related intangibles, and restructuring charges.

Earnings Conference Call and Webcast

Autodesk will host its first 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 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 EDT 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 anticipated market, economic and revenue trends, cost savings, operational and efficiency investments, revenue, margin and earnings improvement, and other statements regarding our expected 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, 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, the success of our foreign currency hedging program, failure to maintain 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 successfully expand adoption of our horizontal design products, our vertical design products and model-based design 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 and efficiency 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, the expense and impact of legal or regulatory proceedings, and any unanticipated accounting charges.

Further information on potential factors that could affect the financial results of Autodesk are included in Autodesk's report on Form 10-K for the year ended January 31, 2010 and Form 10-Q for the quarter ended April 30, 2010, 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 leader in 3D design, engineering and entertainment software. Customers across the manufacturing, architecture, building, construction, and media and entertainment industries – including the last 15 Academy Award winners for Best Visual Effects – use Autodesk software to design, visualize, and simulate their ideas. Since its introduction of AutoCAD software in 1982, Autodesk continues to develop the broadest portfolio of state-of-the-art software for global markets. For additional information about Autodesk, visit www.autodesk.com.

Autodesk and AutoCAD are registered trademarks or trademarks of Autodesk, Inc., and/or its subsidiaries and/or affiliates in the USA and/or other countries. Academy Award is a registered trademark of the Academy of Motion Picture Arts and Sciences. All other brand names, product names, or trademarks belong to their respective holders. Autodesk reserves the right to alter product and service offerings, and specifications and pricing at any time without notice, and is not responsible for typographical or graphical errors that may appear in this document. © 2010 Autodesk, Inc. All rights reserved.

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

	Three Months Ended		Six Months Ended	
	July 31,		July 31,	
	2010	2009	2010	2009
	(Unaudited)		(Unaudited)	
Net revenue:				
License and other	\$ 280.7	\$ 231.0	\$ 560.5	\$ 474.6
Maintenance	192.1	183.9	386.9	366.1
Total net revenue	472.8	414.9	947.4	840.7
Cost of revenue:				
Cost of license and other revenue	40.5	44.8	81.7	88.9
Cost of maintenance revenue	7.9	5.3	18.0	13.5
Total cost of revenue	48.4	50.1	99.7	102.4
Gross profit	424.4	364.8	847.7	738.3
Operating expenses:				
Marketing and sales	177.5	176.4	364.0	360.3
Research and development	119.3	109.8	246.5	231.4
General and administrative	45.9	49.5	97.6	99.5
Restructuring charges	1.9	26.4	9.0	42.9
Impairment of goodwill	-	-	-	21.0
Total operating expenses	344.6	362.1	717.1	755.1
Income (loss) from operations	79.8	2.7	130.6	(16.8)
Interest and other income (expense), net	0.1	10.7	(3.3)	10.7
Income (loss) before income taxes	79.9	13.4	127.3	(6.1)
Provision for income taxes	(20.0)	(2.9)	(30.5)	(15.6)
Net income (loss)	\$ 59.9	\$ 10.5	\$ 96.8	\$ (21.7)
Basic net income (loss) per share	\$ 0.26	\$ 0.05	\$ 0.42	\$ (0.09)
Diluted net income (loss) per share	\$ 0.25	\$ 0.05	\$ 0.41	\$ (0.09)
Shares used in computing basic net income (loss) per share	228.0	228.9	228.5	228.0
Shares used in computing diluted net income (loss) per share	233.8	232.3	234.5	228.0

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

July 31, **January 31,**
2010 **2010**

(Unaudited)

ASSETS:

Current assets:

Cash and cash equivalents	\$	850.0		\$	838.7
Marketable securities		236.6			161.9
Accounts receivable, net		231.0			277.4
Deferred income taxes		43.6			44.2
Prepaid expenses and other current assets		56.2			57.4
Total current assets		1,417.4			1,379.6

Marketable securities		184.1			125.6
Computer equipment, software, furniture and leasehold improvements, net		88.5			101.6
Purchased technologies, net		73.6			88.0
Goodwill		545.7			542.9
Deferred income taxes, net		113.1			101.9
Other assets		102.6			107.6
	\$	2,525.0		\$	2,447.2

LIABILITIES AND STOCKHOLDERS' EQUITY:

Current liabilities:

Accounts payable	\$	79.0		\$	67.8
Accrued compensation		100.5			115.6
Accrued income taxes		23.0			8.4
Deferred revenue		454.2			444.6
Other accrued liabilities		66.4			67.6
Total current liabilities		723.1			704.0

Deferred revenue		71.9			71.9
Long term income taxes payable		135.1			127.2
Other liabilities		69.1			70.6

Commitments and contingencies

Stockholders' equity:

Preferred stock		-			-
Common stock and additional paid-in capital		1,225.1			1,204.3
Accumulated other comprehensive income (loss)		(2.9)			(3.5)
Retained earnings		303.6			272.7
Total stockholders' equity		1,525.8			1,473.5
	\$	2,525.0		\$	2,447.2

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

	Six Months Ended	
	July 31,	
	2010	2009
	(Unaudited)	
Operating activities:		
Net income (loss)	\$ 96.8	\$ (21.7)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	53.0	55.5
Stock-based compensation expense	45.3	44.4
Impairment of goodwill	-	21.0
Restructuring charges, net	9.0	42.9
Gain on disposition of assets	-	(2.3)
Changes in operating assets and liabilities, net of business combinations	46.5	(65.3)
Net cash provided by operating activities	<u>250.6</u>	<u>74.5</u>
Investing activities:		
Purchases of marketable securities	(318.7)	(298.2)
Sales of marketable securities	52.8	1.4
Maturities of marketable securities	135.8	14.3
Capital expenditures	(11.1)	(24.3)
Purchases of equity investments	-	(10.0)
Business combinations, net of cash acquired	(8.5)	-
Other investing activities	(0.5)	-
Net cash used in investing activities	<u>(150.2)</u>	<u>(316.8)</u>
Financing activities:		
Proceeds from issuance of common stock, net of issuance costs	40.1	44.1
Repurchases of common stock	(129.2)	-
Draws on line of credit	-	2.2
Repayments of line of credit	-	(54.3)
Net cash used in financing activities	<u>(89.1)</u>	<u>(8.0)</u>
Effect of exchange rate changes on cash and cash equivalents	-	1.2
Net increase (decrease) in cash and cash equivalents	11.3	(249.1)
Cash and cash equivalents at beginning of fiscal year	838.7	917.6
Cash and cash equivalents at end of period	<u>\$ 850.0</u>	<u>\$ 668.5</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 profit, non-GAAP operating expenses, non-GAAP total spend, non-GAAP income from operations 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, 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,	
	2010	2009	2010	2009
	(Unaudited)		(Unaudited)	
GAAP cost of license and other revenue	\$ 40.5	\$ 44.8	\$ 81.7	\$ 88.9
Stock-based compensation expense	(0.7)	(0.7)	(1.5)	(1.3)
Amortization of developed technology	(7.7)	(8.3)	(15.4)	(16.6)
Non-GAAP cost of license and other revenue	<u>\$ 32.1</u>	<u>\$ 35.8</u>	<u>\$ 64.8</u>	<u>\$ 71.0</u>
GAAP gross profit	\$ 424.4	\$ 364.8	\$ 847.7	\$ 738.3
Stock-based compensation expense	0.7	0.7	1.5	1.3
Amortization of developed technology	7.7	8.3	15.4	16.6
Non-GAAP gross profit	<u>\$ 432.8</u>	<u>\$ 373.8</u>	<u>\$ 864.6</u>	<u>\$ 756.2</u>
GAAP marketing and sales	\$ 177.5	\$ 176.4	\$ 364.0	\$ 360.3
Stock-based compensation expense	(9.2)	(9.5)	(19.8)	(19.0)
Non-GAAP marketing and sales	<u>\$ 168.3</u>	<u>\$ 166.9</u>	<u>\$ 344.2</u>	<u>\$ 341.3</u>
GAAP research and development	\$ 119.3	\$ 109.8	\$ 246.5	\$ 231.4
Stock-based compensation expense	(7.2)	(7.1)	(15.5)	(14.2)
Non-GAAP research and development	<u>\$ 112.1</u>	<u>\$ 102.7</u>	<u>\$ 231.0</u>	<u>\$ 217.2</u>
GAAP general and administrative	\$ 45.9	\$ 49.5	\$ 97.6	\$ 99.5
Stock-based compensation expense	(3.9)	(4.0)	(8.5)	(9.9)
Amortization of customer relationships and trade names	(5.9)	(6.7)	(12.1)	(13.1)
Non-GAAP general and administrative	<u>\$ 36.1</u>	<u>\$ 38.8</u>	<u>\$ 77.0</u>	<u>\$ 76.5</u>
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	\$ 1.9	\$ 26.4	\$ 9.0	\$ 42.9
Restructuring charges	(1.9)	(26.4)	(9.0)	(42.9)
Non-GAAP restructuring charges	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
GAAP operating expenses	\$ 344.6	\$ 362.1	\$ 717.1	\$ 755.1
Stock-based compensation expense	(20.3)	(20.6)	(43.8)	(43.1)
Amortization of customer relationships and trade names	(5.9)	(6.7)	(12.1)	(13.1)
Impairment of goodwill	-	-	-	(21.0)
Restructuring charges	(1.9)	(26.4)	(9.0)	(42.9)
Non-GAAP operating expenses	<u>\$ 316.5</u>	<u>\$ 308.4</u>	<u>\$ 652.2</u>	<u>\$ 635.0</u>
GAAP income (loss) from operations	\$ 79.8	\$ 2.7	\$ 130.6	\$ (16.8)

Stock-based compensation expense	21.0	21.3	45.3	44.4
Amortization of developed technology	7.7	8.3	15.4	16.6
Amortization of customer relationships and trade names	5.9	6.7	12.1	13.1
Impairment of goodwill	-	-	-	21.0
Restructuring charges	1.9	26.4	9.0	42.9
Non-GAAP income from operations	<u>\$ 116.3</u>	<u>\$ 65.4</u>	<u>\$ 212.4</u>	<u>\$ 121.2</u>
GAAP provision for income taxes	\$ (20.0)	\$ (2.9)	\$ (30.5)	\$ (15.6)
Establishment of valuation allowance on deferred tax assets	-	-	-	21.0
Discrete GAAP tax provision items (1)	0.2	(0.6)	(1.6)	(1.6)
Income tax effect of non-GAAP adjustments	(11.6)	(16.1)	(24.3)	(37.3)
Non-GAAP provision for income tax	<u>\$ (31.4)</u>	<u>\$ (19.6)</u>	<u>\$ (56.4)</u>	<u>\$ (33.5)</u>
GAAP net income (loss)	\$ 59.9	\$ 10.5	\$ 96.8	\$ (21.7)
Stock-based compensation expense	21.0	21.3	45.3	44.4
Amortization of developed technology	7.7	8.3	15.4	16.6
Amortization of customer relationships and trade names	5.9	6.7	12.1	13.1
Impairment of goodwill	-	-	-	21.0
Restructuring charges	1.9	26.4	9.0	42.9
Establishment of valuation allowance on deferred tax assets	-	-	-	21.0
Discrete GAAP tax provision items (1)	0.2	(0.6)	(1.6)	(1.6)
Income tax effect of non-GAAP adjustments	(11.6)	(16.1)	(24.3)	(37.3)
Non-GAAP net income	<u>\$ 85.0</u>	<u>\$ 56.5</u>	<u>\$ 152.7</u>	<u>\$ 98.4</u>
GAAP diluted net income (loss) per share	\$ 0.25	\$ 0.05	\$ 0.41	\$ (0.09)
Stock-based compensation expense	0.09	0.09	0.19	0.19
Amortization of developed technology	0.03	0.03	0.06	0.07
Amortization of customer relationships and trade names	0.03	0.03	0.06	0.06
Impairment of goodwill	-	-	-	0.09
Restructuring charges	0.01	0.11	0.04	0.18
Establishment of valuation allowance on deferred tax assets	-	-	-	0.09
Discrete GAAP tax provision items (1)	-	-	(0.01)	-
Income tax effect of non-GAAP adjustments	(0.05)	(0.07)	(0.10)	(0.17)
Non-GAAP diluted net income per share	<u>\$ 0.36</u>	<u>\$ 0.24</u>	<u>\$ 0.65</u>	<u>\$ 0.42</u>
GAAP diluted shares used in per share calculation	233.8	232.3	234.5	228.0
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>233.8</u>	<u>232.3</u>	<u>234.5</u>	<u>231.1</u>

(1) Effective in the second quarter of fiscal 2011, Autodesk began excluding certain discrete GAAP tax provision items for purposes of its non-GAAP financial measures. Prior period non-GAAP income tax expense amounts have been revised to conform to the current period presentation.

(2) Effective in the first quarter of fiscal 2011, Autodesk began using diluted GAAP shares for purposes of calculating non-GAAP net income per share. Prior periods' shares and diluted non-GAAP net income per share were revised to conform to current period presentation.

Other Supplemental Financial Information*

Fiscal Year 2011	QTR 1		QTR 2		QTR 3	QTR 4	YTD 2011
Financial Statistics (\$ in millions, except per share data):							
Total Net Revenue	\$	475	\$	473			\$ 947
License and Other Revenue	\$	280	\$	281			\$ 560
Maintenance Revenue	\$	195	\$	192			\$ 387
GAAP Gross Margin		89%		90%			89%
Non-GAAP Gross Margin (1)(2)		91%		92%			91%
GAAP Operating Expenses	\$	373	\$	345			\$ 717
GAAP Operating Margin		11%		17%			14%
GAAP Net Income	\$	37	\$	60			\$ 97
GAAP Diluted Net Income Per Share	\$	0.16	\$	0.25			\$ 0.41
Non-GAAP Operating Expenses (1)(3)	\$	336	\$	317			\$ 652
Non-GAAP Operating Margin (1)(4)		20%		25%			22%
Non-GAAP Net Income (1)(5)	\$	68	\$	85			\$ 153
Non-GAAP Diluted Net Income Per Share (1)(6)	\$	0.29	\$	0.36			\$ 0.65
Total Cash and Marketable Securities	\$	1,239	\$	1,271			\$ 1,271
Days Sales Outstanding		42		44			44
Capital Expenditures	\$	6	\$	5			\$ 11
Cash from Operations	\$	139	\$	112			\$ 251
GAAP Depreciation and Amortization	\$	27	\$	26			\$ 53
Deferred Maintenance Revenue Balance	\$	492	\$	473			\$ 473
Revenue by Geography (in millions):							
Americas	\$	161	\$	168			\$ 330
Europe, Middle East and Africa	\$	199	\$	189			\$ 387
Asia Pacific	\$	115	\$	116			\$ 230
Revenue by Segment (in millions):							
Platform Solutions and Emerging Business	\$	184	\$	177			\$ 361
Architecture, Engineering and Construction	\$	137	\$	133			\$ 270
Manufacturing	\$	108	\$	113			\$ 221
Media and Entertainment	\$	46	\$	50			\$ 95
Other	\$	-	\$	-			\$ -
Other Revenue Statistics:							
% of Total Rev from AutoCAD and AutoCAD LT		36%		34%			35%
% of Total Rev from Model-based Design Products		29%		29%			29%
% of Total Rev from Emerging Economies		14%		15%			15%
Upgrade Revenue (in millions)	\$	51	\$	18			\$ 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	\$	21	\$	5			\$ 26
FX Impact on Total Operating Expenses	\$	(11)	\$	-			\$ (11)
FX Impact on Operating Income	\$	10	\$	5			\$ 15
Gross Margin by Segment (in millions):							
Platform Solutions and Emerging Business	\$	173	\$	168			\$ 341
Architecture, Engineering and Construction	\$	123	\$	122			\$ 245
Manufacturing	\$	100	\$	105			\$ 205
Media and Entertainment	\$	36	\$	38			\$ 74
Unallocated amounts	\$	(9)	\$	(9)			\$ (17)
Common Stock Statistics:							
Common Shares Outstanding		229,400,000		227,200,000			227,200,000
Fully Diluted Weighted Average Shares Outstanding		234,600,000		233,800,000			234,500,000
Shares Repurchased		2,000,000		2,500,000			4,500,000
Installed Base Statistics:							
Maintenance Installed Base		2,383,000		2,631,000			2,631,000

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

** Includes favorable (unfavorable) revenue impact from our hedging program during the fiscal quarter.

(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 total spend, non-GAAP income from operations 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, restructuring charges, amortization of purchased intangibles 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.

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2011
(2) GAAP Gross Margin	89%	90%			89%
Stock-based compensation expense	0%	0%			0%
Amortization of developed technology	2%	2%			2%
Non-GAAP Gross Margin	91%	92%			91%
(3) GAAP Operating Expenses	\$ 373	\$ 345			\$ 717
Stock-based compensation expense	(24)	(20)			(44)
Amortization of customer relationships and trade names	(6)	(6)			(12)
Restructuring charges	(7)	(2)			(9)
Non-GAAP Operating Expenses	\$ 336	\$ 317			\$ 652
(4) GAAP Operating Margin	11%	17%			14%
Stock-based compensation expense	5%	5%			5%
Amortization of developed technology	2%	2%			2%
Amortization of customer relationships and trade names	1%	1%			1%
Restructuring charges	1%	0%			0%
Non-GAAP Operating Margin	20%	25%			22%
(5) GAAP Net Income	\$ 37	\$ 60			\$ 97
Stock-based compensation expense	24	21			45
Amortization of developed technology	8	8			16
Amortization of customer relationships and trade names	6	6			12
Restructuring charges	7	2			9
Discrete GAAP tax provision items (7)	(2)	-			(2)
Income tax effect of non-GAAP adjustments	(12)	(12)			(24)
Non-GAAP Net Income	\$ 68	\$ 85			\$ 153
(6) GAAP Diluted Net Income Per Share	\$ 0.16	\$ 0.25			\$ 0.41
Stock-based compensation expense	0.10	0.09			0.19
Amortization of developed technology	0.03	0.03			0.06
Amortization of customer relationships and trade names	0.03	0.03			0.06
Restructuring charges	0.03	0.01			0.04
Discrete GAAP tax provision items (7)	(0.01)	-			(0.01)
Income tax effect of non-GAAP adjustments	(0.05)	(0.05)			(0.10)
Non-GAAP Diluted Net Income Per Share	\$ 0.29	\$ 0.36			\$ 0.65

(7) Effective in the second quarter of fiscal 2011, Autodesk began excluding certain discrete GAAP tax provision items for purposes of its non-GAAP financial measures. Prior period non-GAAP income tax expense, net income and earnings per share amounts have been revised to conform to the current period presentation.

GAAP total spend (Cost of revenue plus Total operating expenses)	\$ 424	\$ 393			\$ 817
Stock-based compensation expense	(24)	(21)			(45)
Amortization of developed technology	(8)	(8)			(16)
Amortization of customer relationships and trademarks	(6)	(6)			(12)
Restructuring charges	(7)	(2)			(9)
Non-GAAP total spend (Cost of revenue plus Total operating expenses)	\$ 379	\$ 356			\$ 735



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	\$ 417	\$ 456	\$ 1,714
License and other revenue	\$ 244	\$ 231	\$ 236	\$ 270	\$ 981
Maintenance revenue	\$ 182	\$ 184	\$ 181	\$ 186	\$ 733
GAAP Gross Margin	88%	88%	89%	90%	89%
Non-GAAP Gross Margin (1)(2)	90%	90%	92%	92%	91%
GAAP Operating Expenses	\$ 393	\$ 362	\$ 346	\$ 356	\$ 1,456
GAAP Operating Margin	-5%	1%	6%	12%	4%
GAAP Net Income (Loss)	\$ (32)	\$ 10	\$ 30	\$ 50	\$ 58
GAAP Diluted Net Income (Loss) Per Share	\$ (0.14)	\$ 0.05	\$ 0.13	\$ 0.21	\$ 0.25
Non-GAAP Operating Expenses (1)(3)	\$ 327	\$ 308	\$ 305	\$ 331	\$ 1,271
Non-GAAP Operating Margin (1)(4)	13%	16%	18%	20%	17%
Non-GAAP Net Income (1)(5)	\$ 42	\$ 56	\$ 61	\$ 69	\$ 229
Non-GAAP Diluted Net Income Per Share (1)(6)	\$ 0.18	\$ 0.24	\$ 0.26	\$ 0.29	\$ 0.98
Total Cash and Marketable Securities	\$ 966	\$ 1,029	\$ 1,054	\$ 1,126	\$ 1,126
Days Sales Outstanding	49	49	47	55	55
Capital Expenditures	\$ 14	\$ 11	\$ 6	\$ 9	\$ 39
Cash from Operations	\$ 27	\$ 47	\$ 47	\$ 126	\$ 247
GAAP Depreciation and Amortization	\$ 27	\$ 28	\$ 29	\$ 27	\$ 111
Deferred Maintenance Revenue Balance	\$ 469	\$ 444	\$ 420	\$ 464	\$ 464
Revenue by Geography (in millions):					
Americas	\$ 163	\$ 159	\$ 164	\$ 168	\$ 655
Europe, Middle East and Africa	\$ 167	\$ 157	\$ 159	\$ 188	\$ 671
Asia Pacific	\$ 96	\$ 99	\$ 94	\$ 100	\$ 388
Revenue by Segment (in millions):					
Platform Solutions and Emerging Business	\$ 156	\$ 150	\$ 154	\$ 165	\$ 624
Architecture, Engineering and Construction	\$ 128	\$ 123	\$ 125	\$ 137	\$ 514
Manufacturing	\$ 94	\$ 95	\$ 90	\$ 108	\$ 387
Media and Entertainment	\$ 48	\$ 47	\$ 48	\$ 46	\$ 189
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenue Statistics:					
% of Total Rev from AutoCAD and AutoCAD LT	33%	31%	32%	31%	32%
% of Total Rev from Model-based Design Products	29%	29%	29%	29%	29%
% of Total Rev from Emerging Economies	14%	15%	15%	16%	15%
Upgrade Revenue (in millions)	\$ 43	\$ 26	\$ 26	\$ 37	\$ 133
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	\$ (30)	\$ (30)	\$ (16)	\$ 9	\$ (66)
FX Impact on Total Operating Expenses	\$ 22	\$ 14	\$ 2	\$ (10)	\$ 28
FX Impact on Operating Income (Loss)	\$ (8)	\$ (16)	\$ (14)	\$ (1)	\$ (38)
Gross Margin by Segment (in millions):					
Platform Solutions and Emerging Business	\$ 146	\$ 140	\$ 147	\$ 157	\$ 590
Architecture, Engineering and Construction	\$ 116	\$ 110	\$ 113	\$ 125	\$ 465
Manufacturing	\$ 86	\$ 88	\$ 84	\$ 101	\$ 359
Media and Entertainment	\$ 34	\$ 36	\$ 38	\$ 37	\$ 144
Unallocated amounts	\$ (9)	\$ (9)	\$ (10)	\$ (8)	\$ (36)
Common Stock Statistics:					
Common Shares Outstanding	228,200,000	229,600,000	229,700,000	228,900,000	228,900,000
GAAP Fully Diluted Weighted Average Shares Outstanding	227,100,000	232,300,000	232,900,000	233,200,000	232,100,000
Shares Repurchased	-	-	1,700,000	1,000,000	2,700,000
Installed Base Statistics:					
Maintenance Installed Base **	1,719,000	2,299,000	2,236,000	2,250,000	2,250,000

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

** 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.

*** Includes favorable (unfavorable) revenue impact from our hedging program during the fiscal quarter.

(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 total spend, non-GAAP income from operations 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, restructuring charges, amortization of purchased intangibles, 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 exc lusions 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.

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2010
(2) GAAP Gross Margin	88%	88%	89%	90%	89%
Stock-based compensation expense	0%	0%	0%	0%	0%
Amortization of developed technology	2%	2%	3%	2%	2%
Non-GAAP Gross Margin	90%	90%	92%	92%	91%

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2010
(3) GAAP Operating Expenses	\$ 393	\$ 362	\$ 346	\$ 356	\$ 1,457
Stock-based compensation expense	(22)	(21)	(30)	(19)	(91)
Amortization of customer relationships and trade names	(6)	(7)	(6)	(6)	(26)
Restructuring charges	(17)	(26)	(5)	-	(48)
Impairment of goodwill	(21)	-	-	-	(21)
Non-GAAP Operating Expenses	\$ 327	\$ 308	\$ 305	\$ 331	\$ 1,271

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2010
(4) GAAP Operating Margin	-5%	1%	6%	12%	4%
Stock-based compensation expense	5%	5%	7%	4%	5%
Amortization of developed technology	2%	2%	2%	2%	2%
Amortization of customer relationships and trade names	2%	2%	2%	2%	2%
Restructuring charges	4%	6%	1%	0%	3%
Impairment of goodwill	5%	0%	0%	0%	1%
Non-GAAP Operating Margin	13%	16%	18%	20%	17%

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2010
(5) GAAP Net Income (Loss)	\$ (32)	\$ 10	\$ 30	\$ 50	\$ 58
Stock-based compensation expense	23	21	30	19	93
Amortization of developed technology	8	8	9	8	33
Amortization of customer relationships and trade names	6	7	6	6	26
Establishment of valuation allowance on deferred tax assets	21	-	-	-	21
Impairment of goodwill	21	-	-	-	21
Restructuring charges	17	26	5	-	48
Discrete GAAP tax provision items (7)	(1)	-	(8)	(4)	(13)
Income tax effect of non-GAAP adjustments	(21)	(16)	(11)	(10)	(58)
Non-GAAP Net Income	\$ 42	\$ 56	\$ 61	\$ 69	\$ 229

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2010
(6) GAAP Diluted Net Income (Loss) Per Share	\$ (0.14)	\$ 0.05	\$ 0.13	\$ 0.21	\$ 0.25
Stock-based compensation expense	0.10	0.09	0.13	0.08	0.40
Amortization of developed technology	0.04	0.03	0.04	0.03	0.14
Amortization of customer relationships and trade names	0.03	0.03	0.02	0.03	0.11
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	0.02	-	0.21
Discrete GAAP tax provision items (7)	-	-	(0.03)	(0.02)	(0.05)
Income tax effect of non-GAAP adjustments	(0.10)	(0.07)	(0.05)	(0.04)	(0.26)
Non-GAAP Diluted Net Income Per Share	\$ 0.18	\$ 0.24	\$ 0.26	\$ 0.29	\$ 0.98

(7) Effective in the second quarter of fiscal 2011, Autodesk began excluding certain discrete GAAP tax provision items for purposes of its non-GAAP financial measures. Prior period non-GAAP income tax expense, net income and earnings per share amounts have been revised to conform to the current period presentation.

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2010
GAAP total spend (Cost of revenue plus Total operating expenses)	\$ 445	\$ 412	\$ 391	\$ 400	\$ 1,648
Stock-based compensation expense	(23)	(21)	(30)	(19)	(93)
Amortization of developed technology	(8)	(8)	(9)	(8)	(33)
Amortization of customer relationships and trademarks	(6)	(7)	(6)	(6)	(25)
Impairment of goodwill	(21)	-	-	-	(21)

Restructuring charges	(17)	(26)	(5)	-	(48)
Non-GAAP total spend (Cost of revenue plus Total operating expenses)	\$ 370	\$ 350	\$ 340	\$ 367	\$ 1,427

AUTODESK, INC. (ADSK)
FISCAL SECOND QUARTER 2011 EARNINGS ANNOUNCEMENT
AUGUST 12, 2010
PREPARED REMARKS

Autodesk is posting a copy of these prepared remarks and 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 12, 2010 at 2:00 pm PDT (5:00 pm EDT) 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.

Second Quarter Fiscal 2011 Overview

Autodesk experienced year-over-year growth in each major geography leading to stronger than expected year-over-year revenue growth for the company. Revenue results in our international geographies were particularly solid with all of our top 5 countries showing year-over-year growth. We experienced strong year-over-year growth in several key areas including operating margin, revenue from commercial new licenses, and cash flow from operations. Strong revenue results coupled with ongoing cost controls led to greatly improved operating margin and earnings per share compared to the second quarter last year.

- Revenue was \$473 million, an increase of 14 percent as compared to the second quarter of fiscal 2010, and approximately flat sequentially.
- GAAP operating margin was 17 percent, compared to 1 percent in the second quarter last year, and 11 percent in the first quarter of fiscal 2011.
- Non-GAAP operating margin was 25 percent, compared to 16 percent in the second quarter last year, and 20 percent in the first quarter of fiscal 2011.
- On a GAAP basis, diluted earnings per share were \$0.25, compared to diluted earnings per share of \$0.05 in the second quarter of fiscal 2010, and diluted earnings per share of \$0.16 in the first quarter of fiscal 2011.

- On a non-GAAP basis, diluted earnings per share were \$0.36, compared to non-GAAP diluted earnings per share of \$0.24 in the second quarter of fiscal 2010, and non-GAAP diluted earnings per share of \$0.29 in the first quarter of fiscal 2011.
- Cash flow from operating activities was \$112 million, an increase compared to \$47 million in the second quarter of fiscal 2010, and a decrease compared to \$139 million in the first quarter of fiscal 2011.
- Revenue from commercial new licenses continued its momentum growing 46 percent compared to the second quarter last year and 18 percent sequentially.

Revenue Analysis

<i>(in millions)</i>	2Q 2010		3Q 2010		4Q 2010		1Q 2011		2Q 2011	
Total net revenue	\$	415	\$	417	\$	456	\$	475	\$	473
License and other revenue	\$	231	\$	236	\$	270	\$	280	\$	281
Maintenance revenue	\$	184	\$	181	\$	186	\$	195	\$	192

Total net revenue for the second quarter was \$473 million as reported, an increase of 14 percent as compared to the second quarter of fiscal 2010, and approximately flat sequentially. On a constant currency basis, revenue for the second quarter increased 13 percent compared to the second quarter of fiscal 2010, and was flat sequentially.

License and other revenue was \$281 million, an increase of 22 percent compared to the second quarter last year, and flat sequentially.

Maintenance revenue was \$192 million, an increase of 4 percent compared to the second quarter last year, and a decrease of 1 percent sequentially.

Maintenance billings increased 6 percent year-over-year, and decreased 22 percent sequentially. The sequential decrease in maintenance billings is primarily related to the first quarter one-time benefit from the product upgrade promotion and typical seasonality.

The sequential revenue comparisons above were negatively impacted by a one-time benefit of approximately \$15 million in upgrade revenue related promotions and a price change in the first quarter.

Maintenance renewal rates increased sequentially and year-over-year.

Given the recent foreign exchange volatility, we would like to provide a brief summary of how we handle foreign currency exchange hedging. A few points to call out include:

- Autodesk does not conduct foreign currency exchange hedging for speculative purposes. The primary purpose of our hedging program is to limit our risk of loss on 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 revenue and certain 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, Canadian dollar, and Swiss franc. The euro is the primary exposure for the company.
- When we report results on a constant currency basis, it attempts to report the changes in the underlying business operations by eliminating fluctuations caused by changes in foreign currency exchange rates and hedge gains or losses recorded within the current period.

Revenue by Geography

<i>Revenue by Geography (in millions)</i>	2Q 2010		3Q 2010		4Q 2010		1Q 2011		2Q 2011	
EMEA	\$	157	\$	159	\$	188	\$	199	\$	189
Americas	\$	159	\$	164	\$	168	\$	161	\$	168
Asia Pacific	\$	99	\$	94	\$	100	\$	115	\$	116
Emerging Economies	\$	63	\$	62	\$	73	\$	68	\$	71
Emerging as a percentage of Total Revenue		15%		15%		16%		14%		15%

Revenue in EMEA was \$189 million, an increase of 20 percent compared to the second quarter of fiscal 2010 as reported and 19 percent on a constant currency basis. EMEA revenue decreased 5 percent sequentially as reported and 4 percent on a constant currency basis. The sequential decrease is primarily related to a one-time benefit in upgrade revenue last quarter.

Revenue in the Americas was \$168 million, an increase 6 percent compared to the second quarter last year and 4 percent sequentially. The Americas posted year-over-year growth for the first time since the second quarter of fiscal 2009.

Revenue in Asia Pacific was \$116 million, an increase of 17 percent compared to the second quarter of fiscal 2010 as reported and 14 percent on a constant currency basis. Revenue in Asia Pacific increased 1 percent sequentially as reported and 2 percent on a constant currency basis.

Revenue from emerging economies was \$71 million and increased 13 percent compared to the second quarter of fiscal 2010 as reported and 14 percent on a constant currency basis. Revenue from emerging economies increased 5 percent sequentially as reported and 6 percent on a constant currency basis.

Revenue by Product Type

<i>Model-based design products as a % of Total Revenue</i>	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011
Model-Based Design Products Revenue %	29%	29%	29%	29%	29%

Revenue from our model-based design products was \$138 million, an increase of 14 percent compared to the second quarter last year, and flat sequentially. Year-over-year growth in our model-based design products was led by growth in our Inventor and Revit families of products.

Our horizontal design products, which consist primarily of AutoCAD and AutoCAD LT, grew 25 percent compared to the second quarter last year and declined 5 percent sequentially. Revenue from vertical design products, such as AutoCAD Architecture and AutoCAD Mechanical, increased 14 percent compared to the second quarter last year and was flat sequentially. Combined revenue from horizontal design products and vertical design products was \$231 million, an increase of 22 percent compared to the second quarter last year and a decrease of 3 percent sequentially.

Revenue by Business Segment

<i>Revenue by Segment (in millions)</i>	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011
Platform Solutions and Emerging Business	\$ 150	\$ 154	\$ 165	\$ 184	\$ 177
Architecture, Engineering and Construction	\$ 123	\$ 125	\$ 137	\$ 137	\$ 133
Manufacturing	\$ 95	\$ 90	\$ 108	\$ 108	\$ 113
Media and Entertainment	\$ 47	\$ 48	\$ 46	\$ 46	\$ 50

Revenue from our Platform Solutions and Emerging Business segment was \$177 million, an increase of 19 percent compared to the second quarter last year and a decrease of 3 percent sequentially.

Revenue from our AEC business segment was \$133 million, an increase of 8 percent compared to the second quarter last year and a decrease of 3 percent sequentially. Revenue from our Revit family of products increased 20 percent compared to the second quarter last year and 4 percent sequentially.

Revenue from our Manufacturing business segment was \$113 million, an increase of 18 percent compared to the second quarter last year and 4 percent sequentially. Revenue from the Inventor family of products increased 16 percent compared to the second quarter last year and was flat sequentially.

Revenue from our Media and Entertainment business segment was \$50 million, an increase of 6 percent compared to the second quarter last year and 8 percent sequentially. Revenue from animation products increased 7 percent compared to the second quarter last year and 4 percent sequentially. Revenue from Creative Finishing (previously known as Advanced Systems) increased 5 percent compared to the second quarter last year and 16 percent sequentially.

Margins and EPS Review

<i>Gross Margin</i>	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011
Gross Margin - GAAP	88%	89%	90%	89%	90%
Gross Margin - Non-GAAP	90%	92%	92%	91%	92%

<i>Operating Expenses (in millions)</i>	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011
Operating Expenses - GAAP	\$ 362	\$ 346	\$ 356	\$ 373	\$ 345
Operating Expenses - Non-GAAP	\$ 308	\$ 305	\$ 331	\$ 336	\$ 317

<i>Operating Margin</i>	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011
Operating Margin - GAAP	1%	6%	12%	11%	17%
Operating Margin - Non-GAAP	16%	18%	20%	20%	25%

<i>Earnings Per Share</i>	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011
Diluted Net Income (Loss) Per Share - GAAP	\$ 0.05	\$ 0.13	\$ 0.21	\$ 0.16	\$ 0.25
Diluted Net Income Per Share - Non-GAAP	\$ 0.24	\$ 0.27	\$ 0.30	\$ 0.29	\$ 0.36

Autodesk remained focused on controlling expenses in the second quarter. GAAP total spend (GAAP cost of revenue plus GAAP operating expenses) decreased year-over-year and sequentially. GAAP total spend decreased year-over-year primarily due to lower restructuring charges. Non-GAAP total spend (non-GAAP cost of revenue plus non-GAAP operating expenses) increased slightly year-over-year and declined sequentially.

GAAP gross margin in the second quarter was 90 percent. Non-GAAP gross margin in the second quarter was 92 percent.

GAAP operating margin was 17 percent, compared to 1 percent in the second quarter last year. The improvement was driven primarily by lower restructuring costs. GAAP operating margin increased 6 percentage points sequentially from 11 percent in the first quarter of fiscal 2011 primarily related to lower restructuring charges and lower operating expenses. Non-GAAP operating margin was 25 percent compared to 16 percent in the second quarter last year driven by higher revenue. Non-GAAP operating margin increased 5 percentage points on a sequential basis from 20 percent in the first quarter of fiscal 2011 driven primarily by lower operating expenses.

Autodesk expects total spend to be higher in the second half of fiscal 2011 compared to the first half due to typical seasonality of expenses as well as increased investments in revenue generating initiatives.

The second quarter effective tax rate was 25 percent for our GAAP results and 27 percent for our non-GAAP results.

Earnings per diluted share for the second quarter were \$0.25 GAAP and \$0.36 non-GAAP.

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

Foreign Exchange Impact

Favorable (Unfavorable) Impact of U.S. Dollar

Translation Relative to Foreign Currencies

Compared to Comparable Prior Year Period (in millions)

	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011
FX Impact on Total Net Revenue	\$ (30)	\$ (16)	\$ 9	\$ 21	\$ 5
FX Impact on Operating Expenses	\$ 14	\$ 2	\$ (10)	\$ (11)	\$ 0
FX Impact on Operating Income (Loss)	\$ (16)	\$ (14)	\$ (1)	\$ 10	\$ 5

Foreign currency impact includes the foreign currency impact to revenue from our hedging program.

Compared to the second quarter of last year, the impact of foreign currency exchange rates in the second quarter was \$5 million favorable on revenue and had no impact on expenses.

Compared to the first quarter of fiscal 2011, the foreign currency impact was \$3 million unfavorable on revenue and \$3 million favorable on expenses.

Balance Sheet Items and Cash Review

<i>Financial Statistics (in millions)</i>	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011
Total Cash and Marketable Securities	\$ 1,029	\$ 1,054	\$ 1,126	\$ 1,239	\$ 1,271
Days Sales Outstanding	49	47	55	42	44
Capital Expenditures	\$ 11	\$ 6	\$ 9	\$ 6	\$ 5
Cash Flow from Operating Activities	\$ 47	\$ 47	\$ 126	\$ 139	\$ 112
Depreciation and Amortization	\$ 28	\$ 29	\$ 27	\$ 27	\$ 26
Deferred Revenue	\$ 502	\$ 470	\$ 517	\$ 544	\$ 526

Total cash and investments at the end of the second quarter was approximately \$1.3 billion.

During the second quarter Autodesk used \$70 million to repurchase 2.5 million shares of common stock at an average price of \$28.15 per share. Year-to-date, Autodesk has used \$129 million to repurchase 4.5 million shares of common stock at an average repurchase price of \$28.70 per share.

Cash flow from operating activities during the second quarter was \$112 million, an increase of 136 percent compared to the second quarter last year and a decrease of 20 percent sequentially.

Shippable backlog at the end of the second quarter was \$21 million, a decrease of \$1 million sequentially.

Deferred revenue was \$526 million, an increase of 5 percent compared to the second quarter last year and a decrease of 3 percent sequentially. The year-over-year increase is primarily due the year-over-year increase in subscription billings. The sequential decrease is primarily due to a seasonal decline in subscription billings.

Total backlog at the end of the second quarter, including deferred revenue and shippable backlog orders was \$548 million, an increase of \$30 million compared to the second quarter of last year and a decrease of \$18 million sequentially.

Channel inventory at the end of the second quarter decreased year-over-year in both weeks and dollars and increased slightly sequentially in both weeks and dollars. At the end of the second quarter, channel inventory was about 2 weeks.

Days sales outstanding was 44 days, a decrease of 5 days compared to the second quarter last year and an increase of 2 days sequentially. The sequential increase is primarily a result of typical billings linearity in the quarter compared to the first quarter of fiscal 2011, when billings were unusually strong in the first half of the quarter resulting from the upgrade promotion.

Business Outlook

Our guidance is based on our current expectations and the information we have available today, including currency exchange rates. A portion of the projected euro and yen denominated revenue for our third quarter fiscal 2011 has been hedged, which should help reduce the impact of currency fluctuations on our third quarter results. However, over an extended period of time currency fluctuations will increasingly impact our results.

Third Quarter Fiscal 2011

<i>3Q FY11 Guidance Metrics</i>	3Q FY11 (ending October 31, 2010)
Revenue (in millions)	\$450 to \$475
EPS - GAAP	\$0.18 to \$0.23
EPS - Non-GAAP	\$0.28 to \$0.33

Third quarter outlook assumes an effective tax rate of 25 percent for our GAAP results and an effective tax rate of 27 percent for our non-GAAP results. The effective tax rates for both GAAP and non-GAAP results exclude any benefit from the federal research and development tax credit that expired at the end of 2009. Non-GAAP earnings per diluted share exclude \$0.06 related to stock-based compensation expense, and \$0.04 for amortization of acquisition related intangibles.

Autodesk is not providing specific revenue or EPS guidance for fiscal 2011 at this time. However, GAAP operating margin for the full year fiscal 2011 is expected to increase significantly compared to fiscal 2010. Autodesk anticipates non-GAAP operating margin to increase between 400 and 450 basis points for full year fiscal 2011 compared to fiscal 2010. This margin guidance includes the impact of increased investments in revenue generating growth initiatives in the second half of the fiscal year compared to the first half.

For fiscal 2011, non-GAAP operating margin excludes stock-based compensation expense, amortization of acquisition related intangibles, and restructuring 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, economic, maintenance billings, and revenue trends, cost savings, operational and efficiency investments, revenue performance (including by geography and product), margin improvement, market and product positions and other statements regarding our expected strategies, 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, 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, the success of our foreign currency hedging program, failure to maintain 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 successfully expand adoption of our horizontal design products, our vertical design products and model-based design 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 and efficiency 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, the expense or impact of legal or regulatory proceedings, and any unanticipated accounting charges.

Further information on potential factors that could affect the financial results of Autodesk are included in Autodesk’s report on Form 10-K for the year ended January 31, 2010 and Form 10-Q for the quarter ended April 30, 2010, 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.

© 2010 Autodesk, Inc. All rights reserved.

###



Other Supplemental Financial Information*

Fiscal Year 2011	QTR 1		QTR 2		QTR 3	QTR 4	YTD 2011
Financial Statistics (\$ in millions, except per share data):							
Total Net Revenue	\$	475	\$	473			\$ 947
License and Other Revenue	\$	280	\$	281			\$ 560
Maintenance Revenue	\$	195	\$	192			\$ 387
GAAP Gross Margin		89%		90%			89%
Non-GAAP Gross Margin (1)(2)		91%		92%			91%
GAAP Operating Expenses	\$	373	\$	345			\$ 717
GAAP Operating Margin		11%		17%			14%
GAAP Net Income	\$	37	\$	60			\$ 97
GAAP Diluted Net Income Per Share	\$	0.16	\$	0.25			\$ 0.41
Non-GAAP Operating Expenses (1)(3)	\$	336	\$	317			\$ 652
Non-GAAP Operating Margin (1)(4)		20%		25%			22%
Non-GAAP Net Income (1)(5)	\$	68	\$	85			\$ 153
Non-GAAP Diluted Net Income Per Share (1)(6)	\$	0.29	\$	0.36			\$ 0.65
Total Cash and Marketable Securities	\$	1,239	\$	1,271			\$ 1,271
Days Sales Outstanding		42		44			44
Capital Expenditures	\$	6	\$	5			\$ 11
Cash from Operations	\$	139	\$	112			\$ 251
GAAP Depreciation and Amortization	\$	27	\$	26			\$ 53
Deferred Maintenance Revenue Balance	\$	492	\$	473			\$ 473
Revenue by Geography (in millions):							
Americas	\$	161	\$	168			\$ 330
Europe, Middle East and Africa	\$	199	\$	189			\$ 387
Asia Pacific	\$	115	\$	116			\$ 230
Revenue by Segment (in millions):							
Platform Solutions and Emerging Business	\$	184	\$	177			\$ 361
Architecture, Engineering and Construction	\$	137	\$	133			\$ 270
Manufacturing	\$	108	\$	113			\$ 221
Media and Entertainment	\$	46	\$	50			\$ 95
Other	\$	-	\$	-			\$ -
Other Revenue Statistics:							
% of Total Rev from AutoCAD and AutoCAD LT		36%		34%			35%
% of Total Rev from Model-based Design Products		29%		29%			29%
% of Total Rev from Emerging Economies		14%		15%			15%
Upgrade Revenue (in millions)	\$	51	\$	18			\$ 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	\$	21	\$	5			\$ 26
FX Impact on Total Operating Expenses	\$	(11)	\$	-			\$ (11)
FX Impact on Operating Income	\$	10	\$	5			\$ 15
Gross Margin by Segment (in millions):							
Platform Solutions and Emerging Business	\$	173	\$	168			\$ 341
Architecture, Engineering and Construction	\$	123	\$	122			\$ 245
Manufacturing	\$	100	\$	105			\$ 205
Media and Entertainment	\$	36	\$	38			\$ 74
Unallocated amounts	\$	(9)	\$	(9)			\$ (17)
Common Stock Statistics:							
Common Shares Outstanding		229,400,000		227,200,000			227,200,000
Fully Diluted Weighted Average Shares Outstanding		234,600,000		233,800,000			234,500,000
Shares Repurchased		2,000,000		2,500,000			4,500,000
Installed Base Statistics:							
Maintenance Installed Base		2,383,000		2,631,000			2,631,000

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

** Includes favorable (unfavorable) revenue impact from our hedging program during the fiscal quarter.

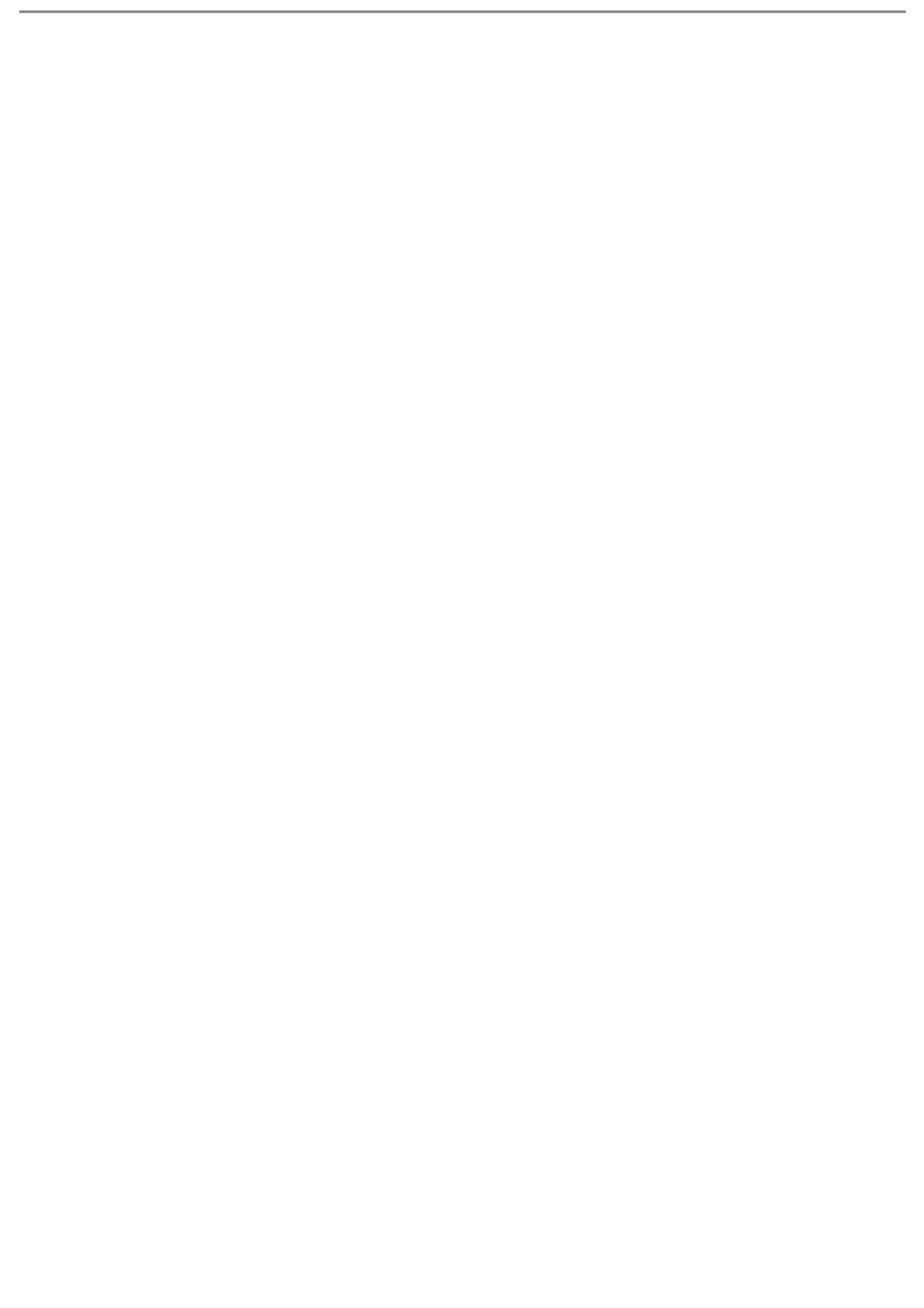
(1) To supplement our consolidated financial statements presented on a GAAP basis, Autodesk provides investors with certain non-GAAP measures including non-GAAP net income, non-GAAP net income per share, non-GAAP cost of license and other revenue, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP total spend, non-GAAP income from operations 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, restructuring charges, amortization of purchased intangibles 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.

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2011
(2) GAAP Gross Margin	89%	90%			89%
Stock-based compensation expense	0%	0%			0%
Amortization of developed technology	2%	2%			2%
Non-GAAP Gross Margin	91%	92%			91%
(3) GAAP Operating Expenses	\$ 373	\$ 345			\$ 717
Stock-based compensation expense	(24)	(20)			(44)
Amortization of customer relationships and trade names	(6)	(6)			(12)
Restructuring charges	(7)	(2)			(9)
Non-GAAP Operating Expenses	\$ 336	\$ 317			\$ 652
(4) GAAP Operating Margin	11%	17%			14%
Stock-based compensation expense	5%	5%			5%
Amortization of developed technology	2%	2%			2%
Amortization of customer relationships and trade names	1%	1%			1%
Restructuring charges	1%	0%			0%
Non-GAAP Operating Margin	20%	25%			22%
(5) GAAP Net Income	\$ 37	\$ 60			\$ 97
Stock-based compensation expense	24	21			45
Amortization of developed technology	8	8			16
Amortization of customer relationships and trade names	6	6			12
Restructuring charges	7	2			9
Discrete GAAP tax provision items (7)	(2)	-			(2)
Income tax effect of non-GAAP adjustments	(12)	(12)			(24)
Non-GAAP Net Income	\$ 68	\$ 85			\$ 153
(6) GAAP Diluted Net Income Per Share	\$ 0.16	\$ 0.25			\$ 0.41
Stock-based compensation expense	0.10	0.09			0.19
Amortization of developed technology	0.03	0.03			0.06
Amortization of customer relationships and trade names	0.03	0.03			0.06
Restructuring charges	0.03	0.01			0.04
Discrete GAAP tax provision items (7)	(0.01)	-			(0.01)
Income tax effect of non-GAAP adjustments	(0.05)	(0.05)			(0.10)
Non-GAAP Diluted Net Income Per Share	\$ 0.29	\$ 0.36			\$ 0.65

(7) Effective in the second quarter of fiscal 2011, Autodesk began excluding certain discrete GAAP tax provision items for purposes of its non-GAAP financial measures. Prior period non-GAAP income tax expense, net income and earnings per share amounts have been revised to conform to the current period presentation.

GAAP total spend (Cost of revenue plus Total operating expenses)	\$ 424	\$ 393			\$ 817
Stock-based compensation expense	(24)	(21)			(45)
Amortization of developed technology	(8)	(8)			(16)
Amortization of customer relationships and trademarks	(6)	(6)			(12)
Restructuring charges	(7)	(2)			(9)
Non-GAAP total spend (Cost of revenue plus Total operating expenses)	\$ 379	\$ 356			\$ 735



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	\$ 417	\$ 456	\$ 1,714
License and other revenue	\$ 244	\$ 231	\$ 236	\$ 270	\$ 981
Maintenance revenue	\$ 182	\$ 184	\$ 181	\$ 186	\$ 733
GAAP Gross Margin	88%	88%	89%	90%	89%
Non-GAAP Gross Margin (1)(2)	90%	90%	92%	92%	91%
GAAP Operating Expenses	\$ 393	\$ 362	\$ 346	\$ 356	\$ 1,456
GAAP Operating Margin	-5%	1%	6%	12%	4%
GAAP Net Income (Loss)	\$ (32)	\$ 10	\$ 30	\$ 50	\$ 58
GAAP Diluted Net Income (Loss) Per Share	\$ (0.14)	\$ 0.05	\$ 0.13	\$ 0.21	\$ 0.25
Non-GAAP Operating Expenses (1)(3)	\$ 327	\$ 308	\$ 305	\$ 331	\$ 1,271
Non-GAAP Operating Margin (1)(4)	13%	16%	18%	20%	17%
Non-GAAP Net Income (1)(5)	\$ 42	\$ 56	\$ 61	\$ 69	\$ 229
Non-GAAP Diluted Net Income Per Share (1)(6)	\$ 0.18	\$ 0.24	\$ 0.26	\$ 0.29	\$ 0.98
Total Cash and Marketable Securities	\$ 966	\$ 1,029	\$ 1,054	\$ 1,126	\$ 1,126
Days Sales Outstanding	49	49	47	55	55
Capital Expenditures	\$ 14	\$ 11	\$ 6	\$ 9	\$ 39
Cash from Operations	\$ 27	\$ 47	\$ 47	\$ 126	\$ 247
GAAP Depreciation and Amortization	\$ 27	\$ 28	\$ 29	\$ 27	\$ 111
Deferred Maintenance Revenue Balance	\$ 469	\$ 444	\$ 420	\$ 464	\$ 464
Revenue by Geography (in millions):					
Americas	\$ 163	\$ 159	\$ 164	\$ 168	\$ 655
Europe, Middle East and Africa	\$ 167	\$ 157	\$ 159	\$ 188	\$ 671
Asia Pacific	\$ 96	\$ 99	\$ 94	\$ 100	\$ 388
Revenue by Segment (in millions):					
Platform Solutions and Emerging Business	\$ 156	\$ 150	\$ 154	\$ 165	\$ 624
Architecture, Engineering and Construction	\$ 128	\$ 123	\$ 125	\$ 137	\$ 514
Manufacturing	\$ 94	\$ 95	\$ 90	\$ 108	\$ 387
Media and Entertainment	\$ 48	\$ 47	\$ 48	\$ 46	\$ 189
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenue Statistics:					
% of Total Rev from AutoCAD and AutoCAD LT	33%	31%	32%	31%	32%
% of Total Rev from Model-based Design Products	29%	29%	29%	29%	29%
% of Total Rev from Emerging Economies	14%	15%	15%	16%	15%
Upgrade Revenue (in millions)	\$ 43	\$ 26	\$ 26	\$ 37	\$ 133
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	\$ (30)	\$ (30)	\$ (16)	\$ 9	\$ (66)
FX Impact on Total Operating Expenses	\$ 22	\$ 14	\$ 2	\$ (10)	\$ 28
FX Impact on Operating Income (Loss)	\$ (8)	\$ (16)	\$ (14)	\$ (1)	\$ (38)
Gross Margin by Segment (in millions):					
Platform Solutions and Emerging Business	\$ 146	\$ 140	\$ 147	\$ 157	\$ 590
Architecture, Engineering and Construction	\$ 116	\$ 110	\$ 113	\$ 125	\$ 465
Manufacturing	\$ 86	\$ 88	\$ 84	\$ 101	\$ 359
Media and Entertainment	\$ 34	\$ 36	\$ 38	\$ 37	\$ 144
Unallocated amounts	\$ (9)	\$ (9)	\$ (10)	\$ (8)	\$ (36)
Common Stock Statistics:					
Common Shares Outstanding	228,200,000	229,600,000	229,700,000	228,900,000	228,900,000
GAAP Fully Diluted Weighted Average Shares Outstanding	227,100,000	232,300,000	232,900,000	233,200,000	232,100,000
Shares Repurchased	-	-	1,700,000	1,000,000	2,700,000
Installed Base Statistics:					
Maintenance Installed Base **	1,719,000	2,299,000	2,236,000	2,250,000	2,250,000

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

** 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.

*** Includes favorable (unfavorable) revenue impact from our hedging program during the fiscal quarter.

(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 total spend, non-GAAP income from operations 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, restructuring charges, amortization of purchased intangibles, 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 exc lusions 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.

	QTR 1	QTR 2	QTR 3	QTR 4	YTD 2010
(2) GAAP Gross Margin	88%	88%	89%	90%	89%
Stock-based compensation expense	0%	0%	0%	0%	0%
Amortization of developed technology	2%	2%	3%	2%	2%
Non-GAAP Gross Margin	90%	90%	92%	92%	91%

(3) GAAP Operating Expenses	\$ 393	\$ 362	\$ 346	\$ 356	\$ 1,457
Stock-based compensation expense	(22)	(21)	(30)	(19)	(91)
Amortization of customer relationships and trade names	(6)	(7)	(6)	(6)	(26)
Restructuring charges	(17)	(26)	(5)	-	(48)
Impairment of goodwill	(21)	-	-	-	(21)
Non-GAAP Operating Expenses	\$ 327	\$ 308	\$ 305	\$ 331	\$ 1,271

(4) GAAP Operating Margin	-5%	1%	6%	12%	4%
Stock-based compensation expense	5%	5%	7%	4%	5%
Amortization of developed technology	2%	2%	2%	2%	2%
Amortization of customer relationships and trade names	2%	2%	2%	2%	2%
Restructuring charges	4%	6%	1%	0%	3%
Impairment of goodwill	5%	0%	0%	0%	1%
Non-GAAP Operating Margin	13%	16%	18%	20%	17%

(5) GAAP Net Income (Loss)	\$ (32)	\$ 10	\$ 30	\$ 50	\$ 58
Stock-based compensation expense	23	21	30	19	93
Amortization of developed technology	8	8	9	8	33
Amortization of customer relationships and trade names	6	7	6	6	26
Establishment of valuation allowance on deferred tax assets	21	-	-	-	21
Impairment of goodwill	21	-	-	-	21
Restructuring charges	17	26	5	-	48
Discrete GAAP tax provision items (7)	(1)	-	(8)	(4)	(13)
Income tax effect of non-GAAP adjustments	(21)	(16)	(11)	(10)	(58)
Non-GAAP Net Income	\$ 42	\$ 56	\$ 61	\$ 69	\$ 229

(6) GAAP Diluted Net Income (Loss) Per Share	\$ (0.14)	\$ 0.05	\$ 0.13	\$ 0.21	\$ 0.25
Stock-based compensation expense	0.10	0.09	0.13	0.08	0.40
Amortization of developed technology	0.04	0.03	0.04	0.03	0.14
Amortization of customer relationships and trade names	0.03	0.03	0.02	0.03	0.11
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	0.02	-	0.21
Discrete GAAP tax provision items (7)	-	-	(0.03)	(0.02)	(0.05)
Income tax effect of non-GAAP adjustments	(0.10)	(0.07)	(0.05)	(0.04)	(0.26)
Non-GAAP Diluted Net Income Per Share	\$ 0.18	\$ 0.24	\$ 0.26	\$ 0.29	\$ 0.98

(7) Effective in the second quarter of fiscal 2011, Autodesk began excluding certain discrete GAAP tax provision items for purposes of its non-GAAP financial measures. Prior period non-GAAP income tax expense, net income and earnings per share amounts have been revised to conform to the current period presentation.

GAAP total spend (Cost of revenue plus Total operating expenses)	\$ 445	\$ 412	\$ 391	\$ 400	\$ 1,648
Stock-based compensation expense	(23)	(21)	(30)	(19)	(93)
Amortization of developed technology	(8)	(8)	(9)	(8)	(33)
Amortization of customer relationships and trademarks	(6)	(7)	(6)	(6)	(25)
Impairment of goodwill	(21)	-	-	-	(21)

Restructuring charges	(17)	(26)	(5)	-	(48)
Non-GAAP total spend (Cost of revenue plus Total operating expenses)	\$ 370	\$ 350	\$ 340	\$ 367	\$ 1,427