

Press Release

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AUTODESK FIRST QUARTER REVENUES INCREASE 41 PERCENT EPS INCREASES 414 PERCENT

SAN RAFAEL, Calif., May 18, 2004— Autodesk, Inc. (NASDAQ: ADSK), the world's leading design software and digital content company, today announced financial results for its first fiscal quarter ended April 30, 2004. For the first quarter, Autodesk reported net revenues of \$298 million, a 41 percent increase over \$211 million reported in the first quarter of the prior year.

First quarter net income was \$43 million, or \$0.36 per diluted share on a GAAP basis, and \$49 million, or \$0.41 per diluted share on a pro-forma basis. Pro-forma net income excludes an \$8 million restructuring charge. Net income in the first quarter of the prior year was \$8 million, or \$0.07 per diluted share on a GAAP basis. There were no pro-forma adjustments in the prior year.

"I am pleased with the company's outstanding performance during the quarter," said Carol Bartz, Autodesk chairman and CEO. "Strong new releases of our AutoCAD 2005 family of products, led to outstanding results in all markets and divisions. Customers are responding enthusiastically to the improved performance and increased functionality in the new versions."

Autodesk's strong performance was driven by significant increases in revenue from new seats and upgrades, the continuing success of the company's subscription program, and the company's commitment to improving profitability.

During the quarter, the company launched its AutoCAD® 2005 family of products, demonstrating the company's continued commitment to delivering lifecycle management solutions to customers. AutoCAD 2005 improves productivity and collaboration by providing the functionality needed for efficient workflow processes and allowing users to create, manage and share complex data and design information more easily.

Subscription revenues, called Maintenance on the financial statements, increased 56 percent over the prior year, to \$37 million, as customers continue to recognize the value of the subscription program and the quick return on investment of Autodesk products.

During the quarter, Autodesk continued to deliver on its commitment to improve profitability. Operating margins improved 15 percentage points over the first quarter of fiscal 2004, to 18 percent on a GAAP basis. Pro-forma operating margins, which exclude the \$8 million restructuring charge, were 21 percent in the quarter. These results demonstrate the significant leverage in the company's operating margin.

"We got off to a great start in Fiscal Year 2005," said Bartz. "We introduced the AutoCAD 2005 family of products, one of our strongest product offerings ever, just two months after the retirement of AutoCAD 2000. In addition to the successful launch of AutoCAD 2005 family of products, we plan to release significant new versions of all of our other major products this year, including Autodesk Inventor Series, Autodesk Inventor Professional and 3ds max. Our refreshed product line and our focus on increasing profitability combined with the improved global economy, position the company for strong future growth."

Business Outlook –

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

Q2 Fiscal 2005

Net revenues for the second quarter of fiscal 2005 are expected to be in the range of \$260 million to \$270 million. Earnings per diluted share for the second quarter of fiscal year 2005 are expected to be in the range of \$0.22 to \$0.26 on a GAAP basis and \$0.26 to \$0.30 on a pro-forma basis.

Full Year Fiscal 2005

For 2005, annual revenue is expected to be in the range of \$1.1 billion to \$1.125 billion. Earnings per diluted share for the full year are expected to be in the range of \$1.29 to \$1.36 on a GAAP basis and \$1.44 to \$1.51 on a pro-forma basis. Fourth quarter fiscal 2005 operating margins are expected to be in the high-20 percent range.

A reconciliation of the above non-GAAP net income and EPS amounts to the corresponding GAAP net income and EPS amounts is provided at the end of this press release.

Safe Harbor Statement

This press release contains forward-looking statements that involve risks and uncertainties, including statements in the paragraphs under "Business Outlook," above and other statements regarding our anticipated product releases and performance. Factors that could cause actual results to differ materially include the following: general market and business conditions, failure of key new applications to achieve anticipated levels of customer acceptance, failure to achieve sufficient sell-through in our channels for new or existing products, pricing pressure, failure to achieve anticipated cost reductions, changes in foreign currency rates, delays in the release of new products and services, failure to achieve continued success in technology advancements, changes in accounting rules, particularly related to stock option expensing, failure to successfully integrate new or acquired businesses,

financial and business condition of our reseller and distribution channels, renegotiation or termination of royalty or intellectual property arrangements, and failure to grow lifecycle management or collaboration products.

Further information on potential factors that could affect the financial results of Autodesk are included in the company's report on Form 10-K, for the year ended January 31, 2004, which is on file with the Securities and Exchange Commission.

Autodesk will host a conference call at 800-901.5213 (passcode: 41072538) today and an audio webcast on the first quarter results beginning at 5:00 p.m. Eastern Time at www.autodesk.com/investor. A replay of this webcast will be maintained on our website for at least twelve months.

About Autodesk

Autodesk is the world's leading design software and digital content company, offering customers progressive business solutions through powerful technology products and services. Autodesk helps customers in the building, manufacturing, infrastructure, digital media, and wireless data services fields increase the value of their digital design data and improve efficiencies across their entire project lifecycle management processes. For more information, contact any Authorized Autodesk Reseller, call Autodesk at 800-964-6432, or visit www.autodesk.com. Discreet product information is available at 800-869-3504 or via the Web at www.discreet.com.

	Three months ended July 31, 2004		Fiscal year ended January 31, 2005	
	Low end of range	High end of range	Low end of range	High end of range
Diluted net income per share on a GAAP basis	\$ 0.22	\$ 0.26	\$ 1.29	\$ 1.36
Restructure costs	0.05	0.05	0.20	0.20
Income tax effect	(0.01)	(0.01)	(0.05)	(0.05)
Non-GAAP diluted net income per share	<u>\$ 0.26</u>	<u>\$ 0.30</u>	<u>\$ 1.44</u>	<u>\$ 1.51</u>

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