

Autodesk, Inc.

Pro Forma Consolidated Statements of Income

(See pro forma adjustments listed in the tables below)

(In thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	October 31,		October 31,	
	2003	2002	2003	2002
	(Unaudited)		(Unaudited)	
Net revenues	\$ 233,862	\$ 188,701	\$ 656,333	\$ 629,429
Costs and expenses:				
Cost of revenues	35,364	31,835	107,211	106,737
Marketing and sales	89,860	82,129	259,001	251,247
Research and development	48,562	41,179	141,708	133,028
General and administrative	32,136	28,091	99,924	95,845
	<u>205,922</u>	<u>183,234</u>	<u>607,844</u>	<u>586,857</u>
Income from operations	27,940	5,467	48,489	42,572
Interest and other income, net	1,805	2,489	8,147	11,183
Income before income taxes	29,745	7,956	56,636	53,755
Provision for income taxes	(7,139)	(2,148)	(13,593)	(14,514)
Pro forma net income	<u>\$ 22,606</u>	<u>\$ 5,808</u>	<u>\$ 43,043</u>	<u>\$ 39,241</u>
Basic pro forma net income per share	<u>\$ 0.20</u>	<u>\$ 0.05</u>	<u>\$ 0.39</u>	<u>\$ 0.35</u>
Diluted pro forma net income per share	<u>\$ 0.20</u>	<u>\$ 0.05</u>	<u>\$ 0.38</u>	<u>\$ 0.34</u>
Shares used in computing basic pro forma net income per share	<u>111,220</u>	<u>112,809</u>	<u>111,497</u>	<u>113,161</u>
Shares used in computing diluted pro forma net income per share	<u>114,166</u>	<u>112,809</u>	<u>113,660</u>	<u>114,950</u>
A reconciliation between operating expenses on a GAAP basis and pro forma operating expenses is as follows:				
GAAP operating expenses	\$ 205,922	\$ 196,546	\$ 607,844	\$ 605,693
Amortization of purchased intangibles	-	(26)	-	(273)
Restructuring and other	-	(13,286)	-	(18,563)
Pro forma operating expenses	<u>\$ 205,922</u>	<u>\$ 183,234</u>	<u>\$ 607,844</u>	<u>\$ 586,857</u>
A reconciliation between income (loss) from operations on a GAAP basis and pro forma income from operations is as follows:				
GAAP income (loss) from operations	\$ 27,940	\$ (7,845)	\$ 48,489	\$ 23,736
Amortization of purchased intangibles	-	26	-	273
Restructuring and other	-	13,286	-	18,563
Pro forma income from operations	<u>\$ 27,940</u>	<u>\$ 5,467</u>	<u>\$ 48,489</u>	<u>\$ 42,572</u>

A reconciliation between provision for income taxes on a GAAP basis and pro forma provision for income taxes is as follows:

GAAP (provision) benefit for income taxes	\$ (7,139)	\$ 1,446	\$ 6,081	\$ (9,428)
Non-recurring tax benefit	-	-	(19,674)	-
Income tax effect of pro forma adjustments	-	(3,594)	-	(5,086)
Pro forma provision for income taxes	<u>\$ (7,139)</u>	<u>\$ (2,148)</u>	<u>\$ (13,593)</u>	<u>\$ (14,514)</u>

A reconciliation between net income (loss) on a GAAP basis and pro forma net income is as follows:

GAAP net income (loss)	\$ 22,606	\$ (3,910)	\$ 62,717	\$ 25,491
Amortization of purchased intangibles	-	26	-	273
Restructuring and other	-	13,286	-	18,563
Non-recurring tax benefit	-	-	(19,674)	-
Income tax effect of pro forma adjustments	-	(3,594)	-	(5,086)
Pro forma net income	<u>\$ 22,606</u>	<u>\$ 5,808</u>	<u>\$ 43,043</u>	<u>\$ 39,241</u>

A reconciliation between diluted net income (loss) per share on a GAAP basis and diluted pro forma net income per share is as follows:

GAAP diluted net income per share	\$ 0.20	\$ (0.03)	\$ 0.55	\$ 0.22
Amortization of purchased intangibles	-	-	-	-
Restructuring and other	-	0.11	-	0.16
Non-recurring tax benefit	-	-	(0.17)	-
Income tax effect of pro forma adjustments	-	(0.03)	-	(0.04)
Pro forma diluted net income per share	<u>\$ 0.20</u>	<u>\$ 0.05</u>	<u>\$ 0.38</u>	<u>\$ 0.34</u>

To supplement our consolidated financial statements presented on a GAAP basis, Autodesk uses pro forma measures of operating results, net income and income per share, which are adjusted to exclude certain costs, expenses, gains and losses we believe appropriate to enhance an overall understanding of our past financial performance and also our prospects for the future. 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 pro forma results are an indication of our baseline performance before gains, losses or other charges that are considered by management to be outside of our core operating results. In addition, these adjusted pro forma results are among the primary indicators management uses as a basis for our planning and forecasting of future periods. The presentation of this additional information is not meant to be considered in isolation or as a substitute for net income or diluted net income per share prepared in accordance with generally accepted accounting principles in the United States.