

Autodesk, Inc.
Consolidated Statements of Income
(In thousands, except per share data)

	Three Months Ended January 31,		Year Ended January 31,	
	2004 (Unaudited)	2003	2004 (Unaudited)	2003 (Audited)
Net revenues:				
License and other	\$ 262,119	\$ 173,674	\$ 836,737	\$ 748,944
Maintenance	33,191	21,842	114,906	76,001
Total net revenues	295,310	195,516	951,643	824,945
Costs and expenses: (1)				
Cost of license and other revenues	32,535	31,813	132,727	135,687
Cost of maintenance revenues	4,696	2,968	15,401	10,123
Marketing and sales	115,652	87,267	393,234	357,667
Research and development	55,102	44,250	209,349	190,252
General and administrative	25,949	20,642	90,990	80,068
Amortization of purchased intangibles	444	26	522	299
Restructuring and other	3,183	7,324	3,183	25,887
Total costs and expenses	237,561	194,290	845,406	799,983
Income from operations	57,749	1,226	106,237	24,962
Interest and other income, net	8,812	2,321	16,959	13,504
Income before income taxes	66,561	3,547	123,196	38,466
Income tax (provision) benefit	(8,961)	2,866	(2,880)	(6,562)
Net income	\$ 57,600	\$ 6,413	\$ 120,316	\$ 31,904
Basic net income per share	\$ 0.52	\$ 0.06	\$ 1.08	\$ 0.28
Diluted net income per share	\$ 0.48	\$ 0.06	\$ 1.04	\$ 0.28
Shares used in computing basic net income per share	111,465	112,619	111,497	113,035
Shares used in computing diluted net income per share	119,837	114,161	115,652	114,775

(1) Autodesk previously classified Information Technology and other corporate service costs that benefit the entire organization as General and Administrative expenses in our Consolidated Statements of Income. During the fourth quarter of fiscal 2004, Autodesk re-evaluated its cost allocation methodology and reclassified these costs to other functional areas of the business that benefit from these services. As a result, fiscal 2004 General and Administrative expenses have been reduced by \$46.4 million and fiscal 2004 total Cost of Revenues, Marketing and Sales and Research and Development have been increased by \$5.1 million, \$23.6 million and \$17.7 million, respectively. This reclassification has no impact on Autodesk's total income from operations or net income. Fiscal 2003 balances have been reclassified to conform to the 2004 presentation.

The effect of this adjustment on previously reported consolidated financial statements for the three months ended and fiscal year ended January 31, 2003 is as follows (in thousands):

	As reported		As reclassified	
	Three Months Ended January 31, 2003	Year Ended January 31, 2003	Three Months Ended January 31, 2003	Year Ended January 31, 2003
Cost of revenues: (i)				
License and other			\$ 31,813	\$ 135,687
Maintenance			2,968	10,123
Total cost of revenues	\$ 33,425	\$ 140,162	34,781	145,810
Marketing and sales	80,474	331,721	87,267	357,667
Research and development	39,957	172,985	44,250	190,252
General and administrative	33,084	128,929	20,642	80,068
Income from operations	1,226	24,962	1,226	24,962

(i) Prior to fiscal 2004, Autodesk did not report separate components of cost of revenues.