

# **AUTODESK- SCALEFORM ACQUISITION**

## **FREQUENTLY ASKED QUESTIONS (FAQs)**

**Q1. What is Autodesk announcing?**

**A1:** On March 1, 2011, Autodesk, Inc. announced that has acquired Scaleform Corporation, a privately held company based in Maryland, USA.

**Q2. How much is Autodesk paying to acquire Scaleform?**

**A3:** Autodesk is paying approximately \$36 million USD in cash to acquire Scaleform Corporation.

**Q4: Who is Scaleform?**

**A4:** With its products currently being used in at least 800 games, [Scaleform](http://www.scaleform.com) has established itself as a leading provider of user interface tools and middleware for the video game industry.

Scaleform was established as a privately held company in 2004 by cofounders Brendan Iribe and Michael Antonov to develop high quality, hardware-accelerated user interface (ui) tools and technologies for the games industry. It currently employs 30 staff, including the founders.

Scaleform's integrated range of solutions enable users to design, develop, and deploy a wide variety of interactive content on a range of game hardware platforms without having to spend excess time, energy, and money on custom tool creation. For additional information about Scaleform business visit [www.scaleform.com](http://www.scaleform.com)

**Q5: Who is Autodesk?**

**A5:** [Autodesk](https://www.autodesk.com), Inc. is a leader in 3D design, engineering and entertainment software with customers across the media and entertainment, manufacturing, architecture, building and construction industries. Nine million users worldwide use Autodesk software to design, visualize and simulate their ideas – including creating the visual effects for the last 16 Academy Award winners for Best Visual Effects . Since its introduction of AutoCAD software in 1982, Autodesk continues to develop the broadest portfolio of state-of-the-art software for global markets.

Autodesk Media & Entertainment is a leader in Digital Entertainment Creation (DEC) solutions for Film, Games and Television. Autodesk M&E products include Autodesk 3ds Max, Autodesk Maya and Autodesk Softimage 3D animation software, Autodesk Mudbox digital sculpting software, Autodesk MotionBuilder realtime animation software, Autodesk Flame and Autodesk Smoke visual effects and finishing software as well as Autodesk Beast, Autodesk Kynapse and Autodesk HumanIK middleware.

For additional information about Autodesk's Media & Entertainment business visit [www.autodesk.com/me](http://www.autodesk.com/me).

**Q6: Why is Autodesk acquiring Scaleform?**

**A6:** Autodesk is acquiring Scaleform for several reasons. The Scaleform team brings a wealth of expertise in creating highly optimized runtime solutions for PCs, consoles and mobile devices. We expect the integration of Scaleform to allow us to innovate faster and help further improve the interactive entertainment creation process for online, console, and mobile development.

**Q7: Why is Autodesk investing in acquiring middleware companies?**

**A7:** By investing in middleware, Autodesk is able to provide more integrated solutions and workflows for the development of interactive content, helping save its customers time and money.

**Q8: How will the acquisition benefit Autodesk customers?**

**A8:** It is expected that this acquisition will enable Autodesk to offer its customers more complete and efficient games development pipelines. Also, it is anticipated that the acquisition will accelerate Autodesk's effort to build the next-generation of interactive game authoring tools.

**Q9: How will the acquisition benefit Scaleform customers?**

**A9:** We expect Scaleform customers to benefit from more complete and efficient games development pipelines. Autodesk offers 3D modeling, animation and rendering software, as well as middleware for character animation, lighting, and artificial intelligence/spatial awareness. In addition, the Scaleform product line will be able to benefit from Autodesk's research and development (R&D) investment capabilities, providing new opportunities for innovation and interoperability.

**Q10: How will this acquisition affect Autodesk's competitive position?**

**A10:** The 3D competitive landscape is fast evolving. The production pipeline is rapidly expanding beyond simple digital content creation (DCC) tools.

Only a generation of consoles ago, tools like 3ds Max and Maya were at the heart of the games and visual effects pipelines –now, they are a component of a larger, more complex production environment. Real-time, run-time technologies are increasingly critical, not only for games development but in areas of previsualization, virtual cinematography and architectural visualization. The Scaleform acquisition is an important component to making sure that Autodesk has the capability and capacity to compete effectively in this changing competitive environment.

**Q12: Where can I find more information?**

**A12:** For more information please visit the Autodesk website at [www.autodesk.com/scaleform](http://www.autodesk.com/scaleform).

## PRODUCTS / SOLUTIONS

**Q13: What kind of products does Scaleform make?**

**A13:** Scaleform makes user interface tools and middleware products, not software applications. Middleware products consist of components that are licensed as source code and/or libraries that can be integrated into customers' applications. Scaleform's middleware products are used to help develop user interface elements –menus and Heads-Up Displays (HUDs) – for games. Their main product is Scaleform GfX.

**Q14: What is Scaleform GfX?**

**A14:** Scaleform GfX is high-performance user interface (UI) middleware optimized specifically for game consoles: Sony Playstation3 system (PS3 system), Microsoft Xbox 360 game console, Nintendo

Wii console and the portable device, the Sony PSP portable entertainment machine. Scaleform GFX technology helps developers take advantage of:

- the performance of hardware-accelerated 3D graphics, and
- the proven productivity of Adobe® Flash® tools, to more quickly create immersive 3D UI and casual game experiences.

**Q15: How is Scaleform GFX used?**





**A15:** Users typically create UI assets: bitmaps, vectors, audio and video using standard software applications: Adobe Creative Suite software and Autodesk 3ds Max or Autodesk Maya. These UI assets are then imported into Adobe Flash Studio for animation and to add interactive features.



Scaleform CLIK tool set provides pre-built UI Kits (HUD, Menu, Lobby) and a framework to help users create interactive UI features faster. Video is processed by the Scaleform Video tool set.

Users then export Flash content to their game (powered by GFx) and connect the UI. The Scaleform Launcher plugin lets you publish directly to your application. Scaleform AMP™ profiler is used to help optimize Flash playback and gfxexport is used to help compress textures for in-game use.

**Q16: What Scaleform products will Autodesk acquire?**

**A16:** Autodesk is acquiring the following Scaleform products:

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|  | <p><b>Scaleform GFx</b> :The heart and soul of the Scaleform GFx rich media engine is hardware-accelerated vector graphics technology, that tessellates vector graphic shapes into triangles that modern 3D video cards can render. By converting the data into triangles, this can output vector graphics faster than traditional software rasterizers, allowing it to be used within high-performance multimedia environments.</p> |
|  | <p><b>Scaleform CLIK</b>: The Common Lightweight Interface Kit (CLIK™) helps accelerate the design and development of user interfaces on multiple platforms: PCs, consoles, and mobiles. The CLIK component architecture and workflow enhancement tools enable users to rapidly create user interfaces from prototype to final design.</p>   |
|  | <p><b>Scaleform Video</b>: Utilize video in your interactive content for a variety of applications: intro logos, main menus, in game HUDs, as in-game textures, as in game video screens, full screen cinematic cut scenes, and loading screen.</p>  |
|  | <p><b>Scaleform IME</b>: The Scaleform Input Method Editor (IME) enables a game to support features: multilanguage profiles and multilanguage chat by adding Asian language input support.</p>   |

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|  | <p><b>Scaleform AMP</b> monitors CPU usage, graphics rendering, and memory allocation in real-time. Using the frame-based history graphs, developers can quickly spot the problem areas, then drill down to determine their cause. AMP also includes an ActionScript profiler with hierarchical function and per-line timings, showing which scripts need optimization. While AMP is designed for Flash artists to tweak content as they develop, Scaleform has added detailed programmer interfaces that expose the stats API for custom engine integration.</p> |
|  | <p><b>Scaleform Lobby</b> is a fully configured, out-of-the-box solution designed to dramatically reduce the cost and overhead that game developers spend when creating in-game multiplayer interfaces. Part of the core Scaleform® GFx™ SDK, Scaleform Lobby allows artists to easily customize the look and feel using Adobe® Flash® software.</p>  |
| <p><b>Scaleform Audio</b></p>   | <p><b>Scaleform Audio</b> is functionality available with Scaleform GFx. It provides support for audio embedded in Adobe Flash SWF files. Embedded sounds in SWF and GFX files play directly from Scaleform GFx 3.0 using a sound engine implementing the Scaleform GFx 3.0 C++ sound renderer interface. Scaleform GFx 3.0 audio support handles both event and streaming sounds.</p>  |
| <p><b>Scaleform GFx Extras</b></p>  | <p><b>Usage:</b> Scaleform GFx example files and use cases are currently referred to as Scaleform GFx Extras</p>  |

## COMPANY ORGANIZATION

**Q17: How is Scaleform integrating into Autodesk? What will happen to the employees?**

**A17:** Scaleform employees have joined Autodesk Media & Entertainment.

**Q18: Will there be layoffs within Scaleform or Autodesk as a result of this acquisition?**

**A18:** This acquisition is about Autodesk's expansion and growth into the Games industry and the capabilities we provide to our customers. It is our intent to retain the majority of Scaleform's employees.

**Q19: Will the Scaleform co-founders Brendan Iribe and Michael Antonov stay with Autodesk? What will their roles be?**

**A19:** Yes, both Brendan and Michael will join Autodesk and will hold leadership roles in Autodesk Media & Entertainment, Games, as will Marc Bennett, Scaleform COO.

**Q20: What will happen to the Scaleform offices? How should I contact the company?**

**A20:** Scaleform offices will remain in their present location in Greenbelt, Maryland, USA. Contact the company at [www.scaleform.com](http://www.scaleform.com)

## **SALES, SUPPORT & SERVICES**

**Q21: Will Autodesk continue to support all Scaleform customers?**

**A21:** Yes. Autodesk is committed to continuing support of existing Scaleform customers who currently are entitled to receive support from Scaleform.

**Q22: What will happen to my current support services?**

**A22:** At this time there will be no changes to your support services.

**Q23: What changes in support services will occur? Will I still be able to call the same people I called/emailed before on the phone?**

**A23:** At this time there will be no changes to support service levels/offerings and you should continue to call the same people you called/emailed before.

**Q24: Will I still be able to evaluate Scaleform products after the acquisition? How?**

**A24:** Yes you will. You should continue to register and download Scaleform products from its website [www.scaleform.com](http://www.scaleform.com)

**Q25: How do I purchase Scaleform products?**

**A25:** To purchase Scaleform products follow the same procedure as usual. Visit the Scaleform website at [www.scaleform.com](http://www.scaleform.com)

**Q27: How can I find more information about this announcement?**

**A27:** You can find more information about this transaction by visiting the announcement web site at [www.autodesk.com/scaleform](http://www.autodesk.com/scaleform)

### **Safe Harbor Statement**

This FAQ contains forward-looking statements that involve risks and uncertainties, including statements regarding: the impact of the acquisition on Autodesk's earnings per share, business performance and product offerings; Autodesk's commitments to Scaleform customers; and the impact of the combined

product capabilities. Factors that could cause actual results to differ materially include the following: difficulties encountered in integrating Scaleform's business, including its customers, vendors and employees; whether certain market segments grow as anticipated; the competitive environment in the software industry and competitive responses to the acquisition; and whether the companies can successfully develop new products or modify existing products and the degree to which these gain market acceptance.

Further information on potential factors that could affect the financial results of Autodesk are included in the company's annual report on Form 10-K for the year ended January 31, 2010, and Form 10-Q for the quarter ended October 31, 2010, which are on file with the 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.

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