

FREQUENTLY ASKED QUESTIONS

Autodesk Signs Definitive Agreement to Acquire Skymatter, Makers of Mudbox 3D Brush-based Modeling Software

INTRODUCTION

On August 6, 2007, Autodesk, Inc. (NASDAQ: ADSK) signed a definitive agreement to acquire substantially all of the assets of Skymatter Limited, the developer of the Mudbox™ 3D brush-based modeling software product. This acquisition will expand Autodesk's Media & Entertainment portfolio and has great potential for other design disciplines such as 3D automotive design. Mudbox is innovative brush-based modeling and sculpting software that is widely used by Autodesk's Media & Entertainment customers.

Autodesk is the world leader in 2D and 3D design software for the media and entertainment, manufacturing, and building and construction markets, with the broadest portfolio of digital prototyping solutions to help customers experience their ideas before they are real. Autodesk develops the most popular 3D modeling, animation, and rendering tools in the world: Autodesk® 3ds Max® and Autodesk® Maya® software products. These products are used extensively in the film, television, and game development markets, as well as being used for architecture, automotive, industrial, and graphic design.

GENERAL

Q1: What is being announced?

A1: Autodesk has signed a definitive agreement to acquire substantially all of the assets of Skymatter. Skymatter is the developer of Mudbox, a 3D brush-based modeling software product.

Q2: Why is Autodesk acquiring substantially all of the assets of Skymatter?

A2: The addition of Mudbox to Autodesk's product line will strengthen Autodesk's 3D leadership position in the film, television, and games markets, by providing customers with more complete digital pipelines as well as offering potential for other design disciplines. The media and entertainment industry continues to demand more integrated workflows and is tasked with delivering increasingly advanced and realistic digital characters and models. Brush-based modeling is a key element of this workflow, enabling creative modeling, prototypes, and fine detail to be accomplished quickly.

Q3: Who proposed this deal? How did it transpire?

A3: Autodesk approached Skymatter. Autodesk is always looking for companies with the best technology, the best people, and the best customers to expand and complement what it already offers. The Mudbox product offers a unique brush-based modeling workflow that complements Autodesk's 3ds Max and Maya 3D modeling, animation and rendering software toolsets.

Q4: How does the acquisition of Skymatter benefit Autodesk and its customers?

A4: Skymatter's Mudbox product will allow Autodesk to offer customers a more complete workflow in their film, television, and games pipelines. Mudbox also has great potential for other design disciplines such as 3D automotive and industrial design. The Mudbox workflow is simple and fast, offering 3ds Max and Maya artists an additional suite of tools for modeling, prototyping and detailing.

Q5: Will there be an integration team in place and will Skymatter management be on the team?

A5: Yes. We have planned for an integration team comprising key individuals from both companies, including Skymatter's founders and members of Autodesk's Media & Entertainment business.

TRANSACTION DETAILS

Q6: How much is Autodesk paying for the transaction? What are the terms of the transaction? Is this a stock or cash transaction?

A6: The purchase price and financial terms are not being disclosed.

Q7: When is the transaction expected to close?

A7: The acquisition is expected to be completed in the next two months.

COMPANY ORGANIZATION

Q8: Will the Skymatter business report into existing organizations within Autodesk or will it be a stand-alone business unit?

A8: The Skymatter organization and Mudbox product will be integrated into Autodesk's Media & Entertainment business. Until the acquisition is completed, Skymatter and Autodesk continue to operate as independent companies.

Q9: Where is Skymatter located?

A9: Skymatter was established in New Zealand. It is organized as a virtual company with contract development in Europe. The Mudbox product is available globally.

Q10: Will the Skymatter team/operations be relocated once the acquisition is completed?

A10: Yes, the Skymatter team/operations will be relocated to Autodesk Toronto once the acquisition is completed.

Q11: What do the Skymatter founders bring to Autodesk?

A11: Skymatter's founders are Andrew Camenisch, Dave Cardwell, and Tibor Madjar. They are seasoned digital artists and designers. Their film credits include the Academy Award[®]-winning films *The Lord of the Rings* and *King Kong*. They have production experience as leads/supervisors at major film and game studios, and have design experience at top automotive companies, including Ford, GM, and Mercedes Benz. Autodesk expects that the founders' talent and experience in building artist-friendly 3D tools will help improve all of Autodesk's 3D products, to better support customer needs.

PRODUCTS/SOLUTIONS

Q12: What are the benefits of adding Mudbox to Autodesk's product portfolio?

A12: With the addition of Mudbox, Autodesk intends to offer streamlined workflows and tighter integration, equipping customers with more complete film, television, and games pipelines. Mudbox's brush-based modeling workflow enables creative modeling, prototyping, and detailing to be done quickly. The product is renowned for its robust toolset and user-friendliness, appealing to both physical sculptors and digital artists. Mudbox is currently used as a complementary product to Autodesk's 3ds Max and Maya 3D software.

Q13: Are there areas of duplication in Autodesk's and Skymatter's product lines? If so, how will they be addressed?

A13: Mudbox's brush-based modeling workflow and tools are unique. Skymatter and Autodesk have product lines that are largely complementary. Many entertainment customers maintain products from both companies, and have chosen these products because of how suited they are at addressing particular needs.

Q14: What platforms does Skymatter's Mudbox support?

A14: Mudbox is currently available on the Microsoft[®] Windows[®] XP operating system.

CUSTOMERS AND PARTNERS

Q15: How will customers benefit from this acquisition?

A15: Many entertainment customers are using Mudbox to model and sculpt 3D assets, which are then imported into Autodesk 3ds Max or Maya for texturing, rigging, animation, and final rendering. With the addition of Mudbox, Autodesk intends to offer streamlined workflow and tighter integration, equipping customers with more complete film, television, game and design pipelines.

Q16: What is the future direction of Autodesk's product portfolio?

A16: By offering a more complete set of technologies for the film, television, and game content segments, as well as design segments, Autodesk will offer customers the chance to adopt integrated solutions from a single vendor, simplifying everything from training to upgrades. This means greater efficiencies, faster time to market or project completion, and less overall time from the conception of an idea to its realization.

Q17: Will Autodesk continue to support existing Skymatter customers?

A17: Once the transaction is closed, Autodesk is committed to supporting existing Skymatter customers. It is important to note that until the transaction closes, Autodesk and Skymatter will continue to act as independent companies and will support their customers through their respective channels.

Q18: Autodesk is many times larger than Skymatter. Will Skymatter customers get lost in the multitude of customers Autodesk serves?

A18: Many Skymatter customers are already customers of Autodesk. Autodesk is fully committed to welcoming all Skymatter customers with the kind of support and relationships that all Autodesk customers have come to expect.

Q19: Who should customers call to purchase Skymatter products or get customer service?

A19: As Skymatter and Autodesk continue to operate as independent companies until the close of the transaction, Skymatter customers are advised to contact their respective sales contact, reseller or support contact.

Q20: How does the acquisition of Skymatter impact Autodesk's channel partners?

A20: Autodesk's channel partners will benefit from new business opportunities generated by the acquisition.

Q21: How is Mudbox sold?

A21: Mudbox is currently sold via electronic distribution with purchases made online and through registered resellers.

Q22. I am a customer - how can I find more information about this announcement?

A22. You can find more information about this transaction by visiting the announcement web site at www.autodesk.com/mudbox.

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