



Press Releases

2013

ANSYS, Inc. Reports Record Third Quarter Results Highlighting Strong Margins and EPS

Released : Nov 07, 2013

Highlights

- ▶ **GAAP revenue of \$212.7 million and non-GAAP revenue of \$213.4 million**
- ▶ **GAAP diluted earnings per share of \$0.66* and non-GAAP diluted earnings per share of \$0.83***
- ▶ **Operating cash flows of \$65.4 million**
- ▶ **GAAP operating profit margin of 38.4% and non-GAAP operating profit margin of 49.8%**

***The Company's GAAP results include approximately \$5.6 million, or \$0.06 per share, related to incremental tax benefits beyond the Company's forecasted effective tax rate range of 30.5% - 31.5%. These incremental benefits relate mainly to legal entity restructuring, cash repatriation activities and adjustments to reserves for uncertain tax positions. The non-GAAP results include approximately \$4.8 million, or \$0.05 per share, in incremental tax benefits related to these activities.**

PITTSBURGH, Nov. 7, 2013 (GLOBE NEWSWIRE) -- ANSYS, Inc. (Nasdaq:ANSS), today announced third quarter 2013 non-GAAP revenue growth of 9% in constant currency, while non-GAAP net income increased 12% compared to Q3 2012. Year-to-date non-GAAP revenue increased 10% in constant currency, while non-GAAP net income increased 9% compared to the first nine months of 2012. Non-GAAP earnings per share increased 12% for the quarter and 9% for the first nine months of 2013, each as compared to the same period in 2012.

Commenting on the Company's third quarter 2013 performance, Jim Cashman, ANSYS president & CEO stated, "Our Q3 results continue to reflect the strength of our resilient business model and dedication to delivering on our commitments, balanced against the realities of operating in a less than robust global economy. This is evidenced by the results in both North America and Europe, which experienced double-digit revenue growth in both reported and constant currency for the quarter. Consistent with what other technology companies are experiencing, during the quarter, we continued to see regional weakness in our Asia-Pacific business. Overall, our results for the quarter reflected strong earnings which exceeded the high end of our guidance range, revenues slightly above the mid-point of our guidance, and solid operating margins and cash flows from operations. We continue to see strong customer interest across our broad portfolio, from our largest global enterprise customers all the way to the SMB businesses. We expect the macroeconomic challenges and longer sales cycles that have been the reality for the past nine months to continue through the remainder of 2013 and into 2014. We remain confident in the long-term opportunity and are excited about an important upcoming milestone, the release of ANSYS® 15.0. This next release of our complete product portfolio will be even more formidable, positioning us well to deliver long-term value to our customers and stockholders."

ANSYS' third quarter and year-to-date 2013 financial results are presented below. The 2013 and 2012 non-GAAP results exclude the income statement effects of acquisition adjustments to deferred revenue, the impact of stock-based compensation, acquisition-related amortization of intangible assets and acquisition-related transaction costs.

GAAP and non-GAAP results reflect:

- ▶ Total GAAP revenue of \$212.7 million in the third quarter of 2013 as compared to \$196.9 million in the third quarter of 2012; total GAAP revenue of \$625.2 million in the first nine months of 2013 as compared to \$577.3 million in the first nine months of 2012; total non-GAAP revenue of \$213.4 million in the third quarter of 2013 as compared to \$199.8 million in the third quarter of 2012; total non-GAAP revenue of \$629.2 million in the first nine months of 2013 as compared to \$583.2 million in the first nine months of 2012;

- ▶ A GAAP operating profit margin of 38.4% in the third quarter of 2013 as compared to 37.4% in the third quarter of 2012; a GAAP operating profit margin of 36.7% in the first nine months of 2013 as compared to 36.8% in the first nine months of 2012; a non-GAAP operating profit margin of 49.8% in the third quarter of 2013 as compared to 51.0% in the third quarter of 2012; a non-GAAP operating profit margin of 48.8% in the first nine months of 2013 as compared to 50.4% in the first nine months of 2012;
- ▶ GAAP net income of \$62.4 million in the third quarter of 2013 as compared to \$51.6 million in the third quarter of 2012; GAAP net income of \$169.4 million in the first nine months of 2013 as compared to \$147.4 million in the first nine months of 2012; non-GAAP net income of \$78.8 million in the third quarter of 2013 as compared to \$70.4 million in the third quarter of 2012; non-GAAP net income of \$219.9 million in the first nine months of 2013 as compared to \$201.5 million in the first nine months of 2012;
- ▶ GAAP diluted earnings per share of \$0.66 in the third quarter of 2013 as compared to \$0.54 in the third quarter of 2012; GAAP diluted earnings per share of \$1.78 in the first nine months of 2013 as compared to \$1.55 in the first nine months of 2012; non-GAAP diluted earnings per share of \$0.83 in the third quarter of 2013 as compared to \$0.74 in the third quarter of 2012; non-GAAP diluted earnings per share of \$2.31 in the first nine months of 2013 as compared to \$2.12 in the first nine months of 2012; and
- ▶ Operating cash flows of \$65.4 million in the third quarter of 2013 as compared to \$70.4 million in the third quarter of 2012; operating cash flows of \$248.0 million in the first nine months of 2013 as compared to operating cash flows of \$228.8 million in the first nine months of 2012.

The Company's GAAP results reflect stock-based compensation charges of approximately \$9.1 million (\$6.5 million after tax) or \$0.07 diluted earnings per share for the third quarter of 2013 and approximately \$26.7 million (\$18.3 million after tax) or \$0.19 diluted earnings per share for the first nine months of 2013. The non-GAAP financial results highlighted above, and the non-GAAP financial outlook for 2013 and 2014 discussed below, represent non-GAAP financial measures. Reconciliations of these measures to the appropriate GAAP measures for the three and nine months ended September 30, 2013 and 2012, and for the 2013 and 2014 financial outlook, are included in the condensed financial information included in this release.

Management's Remaining 2013 and Preliminary 2014 Financial Outlook

The Company is providing its 2013 revenue and earnings per share guidance below, as well as its preliminary outlook for 2014. The earnings per share guidance is provided on both a GAAP and a non-GAAP basis. Non-GAAP revenue and non-GAAP diluted earnings per share exclude charges for stock-based compensation, the income statement effects of acquisition accounting for deferred revenue, acquisition-related amortization of intangible assets and acquisition-related expenses.

Fourth Quarter 2013 Guidance

The Company currently expects the following for the quarter ending December 31, 2013:

- ▶ GAAP revenue in the range of \$233.3 - \$239.3 million
- ▶ Non-GAAP revenue in the range of \$234.0 - \$240.0 million
- ▶ GAAP diluted earnings per share of \$0.61 - \$0.67
- ▶ Non-GAAP diluted earnings per share of \$0.79 - \$0.82

Fiscal Year 2013 Guidance

The Company currently expects the following for the fiscal year ending December 31, 2013:

- ▶ GAAP revenue in the range of \$858.6 - \$864.6 million
- ▶ Non-GAAP revenue in the range of \$863.2 - \$869.2 million
- ▶ GAAP diluted earnings per share of \$2.39 - \$2.45
- ▶ Non-GAAP diluted earnings per share of \$3.10 - \$3.13

Fiscal Year 2014 Preliminary Outlook

The Company currently expects the following for the fiscal year ending December 31, 2014:

- ▶ GAAP revenue in the range of \$933.6 - \$963.6 million
- ▶ Non-GAAP revenue in the range of \$935.0 - \$965.0 million
- ▶ GAAP diluted earnings per share of \$2.56 - \$2.74

These statements are forward-looking and actual results may differ materially. Non-GAAP diluted earnings per share is a supplemental financial measure and should not be considered as a substitute for, or superior to, diluted earnings per share determined in accordance with GAAP.

Conference Call Information

ANSYS will hold a conference call at 10:30 a.m. Eastern Time on November 7, 2013 to discuss third quarter results. To participate in the live conference call, dial 866-652-5200 (US) or 412-317-6060 (Canada & Int'l). The call will be recorded and a replay will be available approximately two hours after the call ends. The replay will be available for ten days by dialing 877-344-7529 (US) or 412-317-0088 (Canada and Int'l) and entering the pass code 10035411. The archived webcast can be accessed, along with other financial information, on ANSYS' website at <http://investors.ansys.com>.

ANSYS, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

(in thousands)

(Unaudited)

	September 30, 2013	December 31, 2012
ASSETS:		
Cash & short-term investments	\$707,774	\$577,155
Accounts receivable, net	79,912	96,598
Goodwill	1,255,275	1,251,247
Other intangibles, net	305,833	351,173
Other assets	269,485	331,244
Total assets	<u>\$2,618,279</u>	<u>\$2,607,417</u>
LIABILITIES & STOCKHOLDERS' EQUITY:		
Deferred revenue	\$285,040	\$305,793
Long-term debt (including current portion)	0	53,149
Other liabilities	244,941	308,184
Stockholders' equity	2,088,298	1,940,291
Total liabilities & stockholders' equity	<u>\$2,618,279</u>	<u>\$2,607,417</u>

ANSYS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Income

(in thousands, except per share data)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
Revenue:				
Software licenses	\$129,185	\$123,027	\$381,177	\$359,933

Maintenance and service	83,473	73,882	244,063	217,337
Total revenue	212,658	196,909	625,240	577,270
Cost of sales:				
Software licenses	6,244	5,473	19,978	17,758
Amortization	9,215	10,244	29,073	30,583
Maintenance and service	19,710	18,039	59,032	54,494
Total cost of sales	35,169	33,756	108,083	102,835
Gross profit	177,489	163,153	517,157	474,435
Operating expenses:				
Selling, general and administrative	51,345	49,195	156,620	143,424
Research and development	38,882	33,506	113,559	98,422
Amortization	5,625	6,800	17,367	19,975
Total operating expenses	95,852	89,501	287,546	261,821
Operating income	81,637	73,652	229,611	212,614
Interest expense	(226)	(632)	(967)	(2,173)
Interest income	656	774	2,131	2,562
Other expense, net	(357)	(355)	(851)	(1,010)
Income before income tax provision	81,710	73,439	229,924	211,993
Income tax provision	19,280	21,820	60,526	64,573
Net income	\$62,430	\$51,619	\$169,398	\$147,420
Earnings per share – basic:				
Basic earnings per share	\$0.67	\$0.56	\$1.83	\$1.59
Weighted average shares – basic	92,541	92,448	92,770	92,631
Earnings per share - diluted:				
Diluted earnings per share	\$0.66	\$0.54	\$1.78	\$1.55
Weighted average shares – diluted	95,265	94,755	95,157	94,958

ANSYS, INC. AND SUBSIDIARIES

Reconciliation of Non-GAAP Measures

(Unaudited)

(in thousands, except percentages and per share data)

Three Months Ended

	September 30, 2013			September 30, 2012		
	As	Adjustments	Non-GAAP	As	Adjustments	Non-GAAP
	Reported		Results	Reported		Results
Total revenue	\$212,658	\$791(1)	\$213,449	\$196,909	\$ 2,923(4)	\$199,832
Operating income	81,637	24,720(2)	106,357	73,652	28,265(5)	101,917
Operating profit margin	38.4%		49.8%	37.4%		51.0%
Net income	\$62,430	\$16,355(3)	\$78,785	\$51,619	\$18,815(6)	\$70,434
Earnings per share – diluted:						
Diluted earnings per share	\$0.66		\$0.83	\$0.54		\$0.74
Weighted average shares - diluted	95,265		95,265	94,755		94,755

(1) Amount represents the revenue not reported during the period as a result of the acquisition accounting adjustment associated with accounting for deferred revenue in business combinations.

(2) Amount represents \$14.8 million of amortization expense associated with intangible assets acquired in business combinations, \$9.1 million of stock-based compensation expense and the \$0.8 million adjustment to revenue as reflected in (1) above.

(3) Amount represents the impact of the adjustments to operating income referred to in (2) above, adjusted for the related income tax impact of \$8.4 million.

(4) Amount represents the revenue not reported during the period as a result of the acquisition accounting adjustment associated with accounting for deferred revenue in business combinations.

(5) Amount represents \$17.0 million of amortization expense associated with intangible assets acquired in business combinations, \$8.1 million of stock-based compensation expense, the \$2.9 million adjustment to revenue as reflected in (4) above and \$0.2 million of acquisition-related transaction expenses.

(6) Amount represents the impact of the adjustments to operating income referred to in (5) above, adjusted for the related income tax impact of \$9.5 million.

Note: The Company's third quarter 2013 GAAP results include approximately \$5.6 million, or \$0.06 per share, related to incremental tax benefits beyond the Company's forecasted effective tax rate range of 30.5% to 31.5%. These incremental benefits relate mainly to legal entity structuring, cash repatriation activities and adjustments to reserves for uncertain tax positions. The non-GAAP results include approximately \$4.8 million, or \$0.05 per share, in incremental tax benefits related to these activities.

ANSYS, INC. AND SUBSIDIARIES

Reconciliation of Non-GAAP Measures

(Unaudited)

(in thousands, except percentages and per share data)

	Nine Months Ended					
	September 30, 2013			September 30, 2012		
	As	Adjustments	Non-GAAP	As	Adjustments	Non-GAAP
Reported	Results		Reported	Results		
Total revenue	\$625,240	\$3,956(1)	\$629,196	\$577,270	\$5,916(4)	\$583,186
Operating income	229,611	77,449(2)	307,060	212,614	81,264(5)	293,878

Operating profit margin	36.7%		48.8%	36.8%		50.4%
Net income	\$169,398	\$50,492(3)	\$219,890	\$147,420	\$54,040(6)	\$201,460
Earnings per share – diluted:						
Diluted earnings per share	\$1.78		\$2.31	\$1.55		\$2.12
Weighted average shares - diluted	95,157		95,157	94,958		94,958

(1) Amount represents the revenue not reported during the period as a result of the acquisition accounting adjustment associated with accounting for deferred revenue in business combinations.

(2) Amount represents \$46.4 million of amortization expense associated with intangible assets acquired in business combinations, \$26.7 million of stock-based compensation expense, the \$4.0 million adjustment to revenue as reflected in (1) above and \$0.3 million of acquisition-related transaction expenses.

(3) Amount represents the impact of the adjustments to operating income referred to in (2) above, adjusted for the related income tax impact of \$27.0 million.

(4) Amount represents the revenue not reported during the period as a result of the acquisition accounting adjustment associated with accounting for deferred revenue in business combinations.

(5) Amount represents \$50.6 million of amortization expense associated with intangible assets acquired in business combinations, \$23.9 million of stock-based compensation expense, the \$5.9 million adjustment to revenue as reflected in (4) above and \$0.9 million of acquisition-related transaction expenses.

(6) Amount represents the impact of the adjustments to operating income referred to in (5) above, adjusted for the related income tax impact of \$27.2 million.

ANSYS, INC. AND SUBSIDIARIES

Reconciliation of Forward-Looking Guidance

Quarter Ending December 31, 2013

	Earnings Per Share Range – Diluted
U.S. GAAP expectation	\$0.61 – \$0.67
Adjustment to exclude acquisition accounting adjustment to deferred revenue	\$0.00 – \$0.01
Adjustment to exclude acquisition-related amortization	\$0.09 – \$0.10
Adjustment to exclude stock-based compensation	\$0.06 – \$0.07
Non-GAAP expectation	<u>\$0.79 – \$0.82</u>

ANSYS, INC. AND SUBSIDIARIES

Reconciliation of Forward-Looking Guidance

Year Ending December 31, 2013

	Earnings Per Share Range – Diluted
U.S. GAAP expectation	\$2.39 – \$2.45
Adjustment to exclude acquisition accounting adjustment to deferred revenue	\$0.03 – \$0.04

Adjustment to exclude acquisition-related amortization	\$0.40 – \$0.41
Adjustment to exclude stock-based compensation	\$0.25 – \$0.26
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Non-GAAP expectation	\$3.10 – \$3.13
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ANSYS, INC. AND SUBSIDIARIES

Reconciliation of Forward-Looking Guidance

Year Ending December 31, 2014

	Earnings Per Share Range – Diluted
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U.S. GAAP expectation	\$2.56 – \$2.74
Adjustment to exclude acquisition accounting adjustment to deferred revenue	\$0.01
Adjustment to exclude acquisition-related amortization	\$0.35 – \$0.37
Adjustment to exclude stock-based compensation	\$0.27 – \$0.31
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Non-GAAP expectation	\$3.25 – \$3.37
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Use of Non-GAAP Measures

The Company provides non-GAAP revenue, non-GAAP operating income, non-GAAP operating profit margin, non-GAAP net income and non-GAAP diluted earnings per share as supplemental measures to GAAP regarding the Company's operational performance. These financial measures exclude the impact of certain items and, therefore, have not been calculated in accordance with GAAP. A detailed explanation of each of the adjustments to such financial measures is described below. This press release also contains a reconciliation of each of these non-GAAP financial measures to its most comparable GAAP financial measure.

Management uses non-GAAP financial measures (a) to evaluate the Company's historical and prospective financial performance as well as its performance relative to its competitors, (b) to set internal sales targets and spending budgets, (c) to allocate resources, (d) to measure operational profitability and the accuracy of forecasting, (e) to assess financial discipline over operational expenditures and (f) as an important factor in determining variable compensation for management and its employees. In addition, many financial analysts that follow our Company focus on and publish both historical results and future projections based on non-GAAP financial measures. We believe that it is in the best interest of our investors to provide this information to analysts so that they accurately report the non-GAAP financial information. Moreover, investors have historically requested, and the Company has historically reported, these non-GAAP financial measures as a means of providing consistent and comparable information with past reports of financial results.

While management believes that these non-GAAP financial measures provide useful supplemental information to investors, there are limitations associated with the use of these non-GAAP financial measures. These non-GAAP financial measures are not prepared in accordance with GAAP, are not reported by all of the Company's competitors and may not be directly comparable to similarly titled measures of the Company's competitors due to potential differences in the exact method of calculation. The Company compensates for these limitations by using these non-GAAP financial measures as supplements to GAAP financial measures and by reviewing the reconciliations of the non-GAAP financial measures to their most comparable GAAP financial measures.

The adjustments to these non-GAAP financial measures, and the basis for such adjustments, are outlined below:

Acquisition accounting for deferred revenue and its related tax impact. Historically, the Company has consummated acquisitions in order to support the Company's strategic and other business objectives. In accordance with the fair value provisions applicable to the accounting for business combinations, acquired deferred revenue is often recorded on the opening balance sheet at an amount that is lower than the historical carrying value. Although this acquisition accounting requirement has no impact on the Company's business or cash flow, it adversely impacts the Company's reported GAAP revenue in the reporting periods following an acquisition. In order to provide investors with financial information that facilitates comparison of both historical and future results, the Company provides non-GAAP financial measures which exclude the impact of the acquisition accounting adjustment. The Company believes that this non-GAAP financial adjustment is useful to investors because it allows investors to (a) evaluate the effectiveness of the methodology and information used by management in its financial and operational decision-making and (b) compare past and future reports of financial results of the Company as the revenue reduction related to acquired deferred revenue will not recur when related annual lease licenses and software maintenance contracts are renewed in future periods.

Amortization of intangibles from acquisitions and its related tax impact. The Company incurs amortization of intangibles, included in its GAAP presentation of amortization expense, related to various acquisitions it has made in recent years. Management excludes these expenses and their related tax impact for the purpose of calculating non-GAAP operating income, non-GAAP operating profit margin, non-GAAP net income and non-GAAP diluted earnings per share when it evaluates the continuing operational performance of the Company because these costs are fixed at the time of an acquisition, are then amortized over a period of several years after the acquisition and generally cannot be changed or influenced by management after the acquisition. Accordingly, management does not consider these expenses for purposes of evaluating the performance of the Company during the applicable time period after the acquisition, and it excludes such expenses when making decisions to allocate resources. The Company believes that these non-GAAP financial measures are useful to investors because they allow investors to (a) evaluate the effectiveness of the methodology and information used by management in its financial and operational decision-making and (b) compare past reports of financial results of the Company as the Company has historically reported these non-GAAP financial measures.

Stock-based compensation expense and its related tax impact. The Company incurs expense related to stock-based compensation included in its GAAP presentation of cost of software licenses, cost of maintenance and service, research and development expense and selling, general and administrative expense. Although stock-based compensation is an expense of the Company and viewed as a form of compensation, management excludes these expenses for the purpose of calculating non-GAAP operating income, non-GAAP operating profit margin, non-GAAP net income and non-GAAP diluted earnings per share when it evaluates the continuing operational performance of the Company. Specifically, the Company excludes stock-based compensation during its annual budgeting process and its quarterly and annual assessments of the Company's and management's performance. The annual budgeting process is the primary mechanism whereby the Company allocates resources to various initiatives and operational requirements. Additionally, the annual review by the board of directors during which it compares the Company's historical business model and profitability to the planned business model and profitability for the forthcoming year excludes the impact of stock-based compensation. In evaluating the performance of senior management and department managers, charges related to stock-based compensation are excluded from expenditure and profitability results. In fact, the Company records stock-based compensation expense into a stand-alone cost center for which no single operational manager is responsible or accountable. In this way, management is able to review, on a period-to-period basis, each manager's performance and assess financial discipline over operational expenditures without the effect of stock-based compensation. The Company believes that these non-GAAP financial measures are useful to investors because they allow investors to (a) evaluate the Company's operating results and the effectiveness of the methodology used by management to review the Company's operating results, and (b) review historical comparability in its financial reporting, as well as comparability with competitors' operating results.

Transaction costs related to business combinations. The Company incurs expenses for professional services rendered in connection with business combinations, which are included in its GAAP presentation of selling, general and administrative expense. These expenses are generally not tax-deductible. Management excludes these acquisition-related transaction costs for the purpose of calculating non-GAAP operating income, non-GAAP operating profit margin, non-GAAP net income and non-GAAP diluted earnings per share when it evaluates the continuing operational performance of the Company, as it generally would not have otherwise incurred these expenses in the periods presented as a part of its continuing operations. The Company believes that these non-GAAP financial measures are useful to investors because they allow investors to (a) evaluate the Company's operating results and the effectiveness of the methodology used by management to review the Company's operating results, and (b) review historical comparability in its financial reporting, as well as comparability with competitors' operating results.

Non-GAAP financial measures are not in accordance with, or an alternative for, generally accepted accounting principles in the United States. The Company's non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP financial measures, and should be read only in conjunction with the Company's consolidated financial statements prepared in accordance with GAAP.

Pursuant to the requirements of Regulation G, the Company has provided a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measures as listed below:

GAAP Reporting Measure	Non-GAAP Reporting Measure
Revenue	Non-GAAP Revenue
Operating Income	Non-GAAP Operating Income
Operating Profit Margin	Non-GAAP Operating Profit Margin
Net Income	Non-GAAP Net Income
Diluted Earnings Per Share	Non-GAAP Diluted Earnings Per Share

About ANSYS, Inc.

ANSYS brings clarity and insight to customers' most complex design challenges through fast, accurate and reliable engineering simulation. Our technology enables organizations — no matter their industry — to predict with confidence that their products will thrive in the real world. Customers trust our software to help ensure product integrity and drive business success through innovation. Founded in 1970, ANSYS employs over 2,500 professionals, many of them experts in engineering fields such as finite element analysis, computational fluid dynamics, electronics and electromagnetics, and design optimization. Headquartered south of Pittsburgh, Pennsylvania, U.S.A., ANSYS has more than 70 strategic sales locations throughout the world with a network of channel partners in 40+ countries. Visit www.ansys.com for more information. ANSYS also has a strong presence on the major social channels. To join the simulation conversation, please visit: www.ansys.com/Social@ANSYS

Forward Looking Information

Certain statements contained in this press release regarding matters that are not historical facts, including, but not limited to, statements regarding our projections for revenue and earnings per share for the fourth quarter of 2013, fiscal year 2013 and fiscal year 2014 (both GAAP and non-GAAP to exclude acquisition accounting adjustments to deferred revenue, acquisition-related amortization and stock-based compensation expense); statements about management's views concerning the Company's prospects and outlook for 2013 and 2014, including statements and projections relating to the impact of stock-based compensation, statements regarding management's use of non-GAAP financial measures, statements regarding Q3 results continuing to reflect the strength of our resilient business model and dedication to delivering on our commitments, statements regarding operating in a less than robust global economy, statements regarding continuing to see strong customer interest across our broad portfolio from our largest global enterprise customers to SMB businesses, statements regarding our expectations of macroeconomic challenges and longer sales cycles continuing through the remainder of 2013 and into 2014, statements regarding remaining confident in the long-term opportunity, statements regarding our excitement about the upcoming milestone release of ANSYS 15.0, statements that the next release of our complete product portfolio will be even more formidable and statements regarding positioning us well to deliver long-term value to our customers and stockholders, are "forward-looking" statements (as defined in the Private Securities Litigation Reform Act of 1995). Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. All forward-looking statements in this press release are subject to risks and uncertainties including, but not limited to, the risk that adverse conditions in the global economy and financial markets will significantly affect ANSYS' customers' ability to make new purchases from the Company or to pay for prior purchases, the risk that adverse conditions in the global economy may lengthen customer sales cycles, the risk of declines in the economy of one or more of ANSYS' primary geographic regions, the risk that ANSYS' operating results will be adversely affected by changes in currency exchange rates, the risk that the assumptions underlying ANSYS' anticipated revenues and expenditures will change or prove inaccurate, the risk that ANSYS has overestimated its ability to maintain growth and profitability and control costs, uncertainties regarding the demand for ANSYS' products and services in future periods, the risk that ANSYS has overestimated the strength of the demand among its customers for its products, uncertainties regarding customer acceptance of new products, the risk that ANSYS' operating results will be adversely affected by possible delays in developing, completing or shipping new or enhanced products, the risk that enhancements to the Company's products may not produce anticipated sales, the risk that the Company may not be able to recruit and retain key executives and technical personnel, the risk that third parties may misappropriate the Company's proprietary technology or develop similar technology independently, the risk of unauthorized access to and distribution of the Company's source code, the risk of difficulties in the relationship with ANSYS' independent regional channel partners, the risk that the expected income tax impacts of the merger of the Company's Japan subsidiaries will not be realized in one or more future periods, the risk that ANSYS may not achieve the perceived benefits of its acquisitions or that the integration of its acquisitions may not be successful, and other factors that are detailed from time to time in reports filed by ANSYS, Inc. with the Securities and Exchange Commission, including ANSYS, Inc.'s 2012 Annual Report and Form 10-K. We undertake no obligation to publicly update or revise any forward-looking statements, whether changes occur as a result of new information or future events, after the date they were made.

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