

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 OR 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **February 21, 2008**

ANSYS, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-20853
(Commission File Number)

04-3219960
(IRS Employer Identification No.)

275 Technology Drive, Canonsburg, PA
(Address of principal executive offices)

15317
(Zip Code)

Registrant's telephone number, including area code: **(724) 746-3304**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On February 21, 2008 the Registrant issued a press release, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1. Press release dated February 21, 2008

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ANSYS, Inc.

(Registrant)

February 21, 2008

/s/ **MARIA T. SHIELDS**

(Date)

Maria T. Shields
Chief Financial Officer, VP of Finance & Administration

Exhibit Index

99.1 Press release dated February 21, 2008

ANSYS Reports Record Fourth Quarter and Annual Results Driven by Organic Revenue Growth

Company Announces Increase to 2008 Outlook

SOUTHPOINTE, Pa., Feb. 21, 2008 (PRIME NEWSWIRE) -- ANSYS, Inc. (Nasdaq:ANSS), a global innovator of simulation software and technologies designed to optimize product development processes, today reported its fiscal fourth quarter and full year 2007 results.

"We are pleased to report the strongest quarterly and annual performance in our Company's history, including our first quarter of over \$100 million in revenue," commented ANSYS President & CEO Jim Cashman. "With solid contributions from all aspects of our business, we exceeded our growth and profitability plans for both the fourth quarter and for the year. By focusing on maximizing the strengths and opportunities that the combination of ANSYS and Fluent presented, we were able to fuel our investments in research and development, sales and marketing, and our global infrastructure. As a result of these efforts, we have the broadest, deepest and most integrated product offerings in our history. Our comprehensive Multiphysics capabilities and scalability have clearly established us as the leader in engineering simulation."

ANSYS' fourth quarter and full year 2007 financial results are presented below. The non-GAAP results exclude the income statement effects of stock-based compensation, purchase accounting for deferred revenue and acquisition-related amortization of intangible assets. The 2006 full year results also exclude a one-time charge related to in-process research and development associated with the acquisition of Fluent.

Non-GAAP and GAAP results reflect:

* Total non-GAAP revenue of \$111.2 million in the fourth quarter of 2007 as compared to \$90.4 million in the fourth quarter of 2006; total non-GAAP revenue of \$387.2 million in 2007 as compared to \$282.0 million in 2006; total GAAP revenue of \$111.2 million in the fourth quarter of 2007 as compared to \$85.2 million in the fourth quarter of 2006; total GAAP revenue of \$385.3 million in 2007 as compared to \$263.6 million in 2006;

* A non-GAAP operating profit margin of 43.2% in the fourth quarter of 2007 as compared to 38.1% in the fourth quarter of 2006; a non-GAAP operating profit margin of 43.3% in 2007 as compared to 38.7% in 2006; a GAAP operating profit margin of 34.1% in the fourth quarter of 2007 as compared to 23.4% in the fourth quarter of 2006; a GAAP operating profit margin of 32.9% in 2007 as compared to 13.7% in 2006;

* Non-GAAP net income (see *Note below) of \$36.0 million in the fourth quarter of 2007 as compared to \$21.5 million in the fourth quarter of 2006; non-GAAP net income of \$109.0 million in 2007 as compared to \$70.7 million in 2006; GAAP net income of \$29.3 million in the fourth quarter of 2007 as compared to GAAP net income of \$12.3 million in the fourth quarter of 2006; GAAP net income of \$82.4 million in 2007 as compared to GAAP net income of \$14.2 million in 2006; and

* Non-GAAP diluted earnings per share (see *Note below) of \$0.44 in the fourth quarter of 2007 as compared to \$0.27 in the fourth quarter of 2006; non-GAAP diluted earnings per share of \$1.34 in 2007 as compared to \$0.92 in 2006; GAAP diluted earnings per share of \$0.36 in the fourth quarter of 2007 as compared to GAAP diluted earnings per share of \$0.15 in the fourth quarter of 2006; GAAP diluted earnings per share of \$1.02 in 2007 as compared to GAAP diluted earnings per share of \$0.19 in 2006.

* Note: The GAAP and non-GAAP net income and earnings per share data for 2007 presented above include approximately \$3 million, or \$0.04 per share, in tax benefits during the fourth quarter of 2007, primarily related to (1) reductions in the Company's accrual related to uncertain tax positions associated with the filing of voluntary disclosure agreements in various state taxing jurisdictions, (2) reductions in the Company's U.S. net deferred tax liabilities associated with the merger of two U.S. legal entities, (3) a favorable adjustment to the Company's previous estimate for taxes owed in a foreign jurisdiction as a result of the completion of the related tax filing and (4) reductions in certain deferred tax liabilities in foreign jurisdictions related to prospective income tax rate changes adopted by the foreign jurisdiction.

The Company's GAAP results reflect stock-based compensation charges related to SFAS No. 123R, "Share-Based Payment," of approximately \$2.5 million (\$2.1 million after tax), or \$0.03 diluted earnings per share, for the fourth quarter of 2007 and approximately \$8.9 million (\$7.4 million after tax), or \$0.09 diluted earnings per share, for 2007.

The non-GAAP financial results highlighted above and the non-GAAP financial outlook for 2008 discussed below represent non-GAAP financial measures. A reconciliation of these measures to the appropriate GAAP measures, for the three months and twelve months ended December 31, 2007 and 2006 as well as the 2008 financial outlook, is included in the condensed financial information included in this release.

Continuing his comments, Cashman noted, "We began 2007 with strong business and customer momentum and are pleased that we were able to leverage that momentum throughout the year to close out the fourth quarter with double-digit growth in all major geographies. Our focus on innovation, simulation and transformation is enabling us to solve our customers' emerging and ever more complex problems, fueling the demand for our products and increasing our opportunities for further penetration in all major industry segments."

Cashman concluded by saying, "As we enter 2008, we are very encouraged by the positive adoption levels we are experiencing and believe we have a very strong foundation for continued, long-term growth and financial success. While we are increasing our outlook for the year, we are also cognizant of the uncertainties relative to the current volatility in the capital markets, as well as concerns about economic slowdowns in certain major geographies. We believe we are well positioned to invest in and capitalize on the global market opportunities for growth and to leverage our extensive customer base, strategic vision, technology leadership, and solid business model to drive continued technological and operational excellence."

Management's Remaining 2008 Financial Outlook

The Company has provided its 2008 revenue and earnings per share guidance below. The earnings per share guidance is provided on both a GAAP basis and a non-GAAP basis. Non-GAAP diluted earnings per share excludes charges for stock-based compensation and acquisition-related amortization of intangible assets.

As required by SFAS No. 123R and guidance issued by the Securities and Exchange Commission, the Company records expenses and tax benefits related to stock-based compensation. As a result, the GAAP estimates for earnings per share provided below reflect the anticipated impact of stock-based compensation. The Company issues both nonqualified and incentive stock options; however, incentive stock options comprise a significant portion of outstanding stock options. The tax benefits associated with incentive stock options are unpredictable, as they are predicated upon an award recipient triggering an event that disqualifies the award and which then results in a tax deduction to the Company. GAAP requires that these tax benefits be recorded at the time of the triggering event. The triggering events for each option holder are not easily projected. In order to estimate the tax benefit related to incentive stock options, the Company makes many assumptions and estimates, including the number of incentive stock options that will be exercised during the period by U.S. employees, the number of incentive stock options that will be disqualified during the period and the fair market value of the Company's stock price on the exercise dates. Each of these items is subject to significant uncertainty. Additionally, a significant portion of the tax benefits related to disqualified incentive stock options is accounted for as an increase to equity (additional paid-in capital) rather than as a reduction in income tax expense, especially in the periods most closely following the adoption date of SFAS No. 123R. Although all such benefits continue to be realized through the Company's tax filings, this accounting treatment has the effect of increasing tax expense and reducing net income. For example, the Company realized a tax benefit of \$4.5 million during 2007 related to disqualified incentive stock options; however, only \$243,000 of such amount was recorded as a reduction in income tax expense. Because there are significant limitations in estimating the impact of SFAS No. 123R, including those discussed above, the actual impact of stock-based compensation on GAAP earnings per share may differ materially from the estimated amounts included in the guidance below.

First Quarter 2008 Guidance

The Company currently expects the following for the quarter ending March 31, 2008:

GAAP revenue in the range of	\$103 - \$106 million
GAAP diluted earnings per share of	\$0.24 - \$0.26
Non-GAAP diluted earnings per share of	\$0.33 - \$0.34

Fiscal Year 2008 Guidance

The Company currently expects the following for the fiscal year ending December 31, 2008:

GAAP revenue in the range of	\$442 - \$447 million
GAAP diluted earnings per share of	\$1.12 - \$1.19
Non-GAAP diluted earnings per share of	\$1.48 - \$1.51

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.

ANSYS will hold a conference call at 10:30 a.m. Eastern Time on February 21, 2008 to discuss fourth quarter results. To participate in the live conference call, dial 888-264-8904 (US & Canada) or 913-312-0697 (Int'l) and enter the passcode "ANSYS," or "26797." The call will be recorded and a replay will be available approximately two hours after the call ends. The replay will be available for one week by dialing 888-203-1112 (US & Canada) or 719-457-0820 (Int'l) and entering the passcode "ANSYS," or

"26797." The archived web cast can be accessed, along with other financial information, on ANSYS' website at <http://www.ansys.com/corporate/investors.asp>.

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:

Purchase accounting for deferred revenue. As announced on May 1, 2006, ANSYS acquired Fluent Inc. in a series of mergers. In accordance with the fair value provisions of EITF 01-3, "Accounting in a Business Combination for Deferred Revenue of an Acquiree," acquired deferred revenue of approximately \$31.5 million was recorded on the opening balance sheet, which was approximately \$20.1 million lower than the historical carrying value. Although this purchase accounting requirement has no impact on the Company's business or cash flow, it adversely impacts the Company's reported GAAP software license revenue, primarily for the first twelve months post-acquisition. In order to provide investors with financial information that facilitates comparison of both historical and future results, the Company has provided non-GAAP financial measures that exclude the impact of the purchase 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 of software and acquired technology, and 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 subsequently 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 as it relates 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 the 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.

Acquired in-process research and development. The Company incurs in-process research and development expenses when technological feasibility for acquired technology has not been established and no future alternative use for such technology exists. Management excludes these expenses and their related tax impact for the purpose of calculating non-GAAP financial measures when it evaluates the continuing operational performance of the Company because these costs do not relate to the Company's ongoing operations and generally cannot be changed or influenced by management at the time of or 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 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 expense related to in-process research and development is a one-time item recorded on the date of acquisition.

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 Profit	Non-GAAP Operating Profit
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, Inc., founded in 1970, develops and globally markets engineering simulation software and technologies widely used by engineers and designers across a broad spectrum of industries. The Company focuses on the development of open and flexible solutions that enable users to analyze designs directly on the desktop, providing a common platform for fast, efficient and cost-conscious product development, from design concept to final-stage testing and validation. The Company and its global network of channel partners provide sales, support and training for customers. Headquartered in Canonsburg, Pennsylvania, U.S.A., with more than 40 strategic sales locations throughout the world, ANSYS, Inc. and its subsidiaries employ approximately 1,400 people and distribute ANSYS products through a network of channel partners in over 40 countries. Visit www.ansys.com for more information.

Certain statements contained in the 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 first quarter and fiscal year 2008 (both GAAP and non-GAAP to exclude purchase accounting for deferred revenue, acquisition-related amortization, stock-based compensation expense and acquired in-process research and development); statements about management's views concerning the Company's prospects in the remainder of 2008 and subsequent years and the effect of the Fluent integration on these prospects; statements and projections relating to the impact of stock-based compensation; statements regarding prospective income tax rate changes adopted by foreign jurisdictions; statements regarding the breadth, depth and integration of our product offerings; statements regarding our comprehensive Multiphysics capabilities and scalability and our leadership in engineering simulation; statements regarding our momentum and focus on innovation, simulation and transformation and the impact on our ability to solve our customers' problems; statements regarding the demand for our products and our increasing opportunities for further penetration in all major industry segments; statements regarding our positive adoption levels and belief in our foundation for continued, long-term growth and financial success; and statements regarding our positioning to invest in and capitalize on the global market opportunities for growth and to leverage our extensive customer base, strategic vision, technology leadership, and solid business model to drive technological and operational excellence 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 of a general economic downturn in one or more of ANSYS' primary geographic regions, 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, risks of problems arising from customer contract cancellations, 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, risks that enhancements to the Company's products may not produce anticipated sales, uncertainties regarding fluctuations in quarterly results, including uncertainties regarding the timing of orders from significant customers, 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 2006 Annual Report and Form 10-K, as amended. 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.

ANSYS, ANSYS Workbench, AUTODYN, CFX, FLUENT and any and all ANSYS, Inc. brand, product, service and feature names, logos and slogans are registered trademarks or trademarks of ANSYS, Inc. or its subsidiaries in the United States or other countries. All other brand, product, service and feature names or trademarks are the property of their respective owners.

ANSYS, INC. AND SUBSIDIARIES
Consolidated Statements of Income
(in thousands, except per share data)
(Unaudited)

	Three Months Ended		Twelve Months Ended	
	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006
Revenue:				
Software licenses	\$ 75,564	\$ 53,232	\$253,287	\$156,960
Maintenance and service	35,672	32,016	132,053	106,680
Total revenue	111,236	85,248	385,340	263,640
Cost of sales:				
Software licenses	2,357	2,368	9,113	7,306
Amortization of software and acquired technology	5,413	5,124	21,532	14,909
Maintenance and service	13,075	11,594	47,402	34,512
Total cost of sales	20,845	19,086	78,047	56,727
Gross profit	90,391	66,162	307,293	206,913
Operating expenses:				
Selling, general and administrative	34,526	28,709	115,108	86,901
Research and development	15,635	15,132	56,481	49,406
Amortization	2,288	2,332	8,935	6,350
In-process research and development	--	--	--	28,100
Total operating expenses	52,449	46,173	180,524	170,757
Operating income	37,942	19,989	126,769	36,156
Interest expense	(1,273)	(2,600)	(6,822)	(7,779)
Interest income	1,668	1,049	4,916	4,766
Other income (expense)	135	(417)	(600)	(82)
Income before income tax provision	38,472	18,021	124,263	33,061
Income tax provision	9,183	5,757	41,871	18,905
Net income	\$ 29,289	\$ 12,264	\$ 82,392	\$ 14,156
Earnings per share - basic:				
Basic earnings per share	\$ 0.37	\$ 0.16	\$ 1.06	\$ 0.19
Weighted average shares - basic	78,208	77,086	77,792	72,686
Earnings per share - diluted:				
Diluted earnings per share	\$ 0.36	\$ 0.15	\$ 1.02	\$ 0.19

Weighted average shares - diluted	81,723	80,774	81,135	76,398
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ANSYS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures
For the three months ended December 31, 2007
(in thousands, except percentages and per share data)
(Unaudited)

	As Reported	Adjustments	Non-GAAP Results
Total revenue:	\$111,236	--	\$111,236
Operating income	37,942	10,101 (1)	48,043
Operating profit margin	34.1%		43.2%
Net income	\$29,289	\$6,689 (2)	\$35,978
Earnings per share - diluted:			
Diluted earnings per share	\$0.36		\$0.44
Weighted average shares - diluted	81,723		81,723

(1) Amount represents \$7.6 million of amortization expense associated with intangible assets acquired in business acquisitions, including amounts primarily related to acquired software, customer list and non-compete agreements, and a \$2.5 million charge for stock-based compensation in accordance with SFAS No. 123R, "Share-Based Payment."

(2) Amount represents the impact of the adjustments to operating income referred to in (1) above, adjusted for the related income tax impact of \$3.4 million.

Note: The GAAP and non-GAAP net income and earnings per share data reflected above include approximately \$3 million, or \$0.04 per share, in tax benefits during the fourth quarter of 2007, primarily related to (1) reductions in the Company's accrual related to uncertain tax positions associated with the filing of voluntary disclosure agreements in various state taxing jurisdictions, (2) reductions in the Company's U.S. net deferred tax liabilities associated with the merger of two U.S. legal entities, (3) a favorable adjustment to the Company's previous estimate for taxes owed in a foreign jurisdiction as a result of the completion of the related tax filing and (4) reductions in certain deferred tax liabilities in foreign jurisdictions related to prospective income tax rate changes adopted by the foreign jurisdiction.

ANSYS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures
For the three months ended December 31, 2006
(in thousands, except percentages and per share data)
(Unaudited)

	As Reported	Adjustments	Non-GAAP Results
Total revenue:	\$85,248	\$5,184 (1)	\$90,432
Operating income	19,989	14,504 (2)	34,493
Operating profit margin	23.4%		38.1%
Net income	\$12,264	\$9,221 (3)	\$21,485
Earnings per share - diluted:			
Diluted earnings per share	\$0.15		\$0.27
Weighted average shares - diluted	80,774		80,774

(1) Amount represents the revenue not reported during the period as a result of the purchase accounting adjustment associated with EITF 01-3, "Accounting in a Business Combination for Deferred Revenue of an Acquiree."

(2) Amount represents \$7.4 million of amortization expense

- associated with intangible assets acquired in business acquisitions, including amounts primarily related to acquired software, customer list and non-compete agreements, a \$1.9 million charge for stock-based compensation in accordance with SFAS No. 123R, "Share-Based Payment," as well as the \$5.2 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 \$5.3 million.

ANSYS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures
For the twelve months ended December 31, 2007
(in thousands, except percentages and per share data)
(Unaudited)

	As Reported	Adjustments	Non-GAAP Results
Total revenue:	\$385,340	\$1,829 (1)	\$387,169
Operating income	126,769	40,688 (2)	167,457
Operating profit margin	32.9%		43.3%
Net income	\$82,392	\$26,609 (3)	\$109,001
Earnings per share - diluted			
Diluted earnings per share	\$1.02		\$1.34
Weighted average shares - diluted	81,135		81,135

- (1) Amount represents the revenue not reported during the period as a result of the purchase accounting adjustment associated with EITF 01- 3, "Accounting in a Business Combination for Deferred Revenue of an Acquiree."
- (2) Amount represents \$29.9 million of amortization expense associated with intangible assets acquired in business acquisitions, including amounts primarily related to acquired software, customer list and non-compete agreements, an \$8.9 million charge for stock-based compensation in accordance with SFAS No. 123R, "Share-Based Payment," as well as the \$1.8 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 \$14.1 million.

Note: The GAAP and non-GAAP net income and earnings per share data reflected above include approximately \$3 million, or \$0.04 per share, in tax benefits during the fourth quarter of 2007, primarily related to (1) reductions in the Company's accrual related to uncertain tax positions associated with the filing of voluntary disclosure agreements in various state taxing jurisdictions, (2) reductions in the Company's U.S. net deferred tax liabilities associated with the merger of two U.S. legal entities, (3) a favorable adjustment to the Company's previous estimate for taxes owed in a foreign jurisdiction as a result of the completion of the related tax filing and (4) reductions in certain deferred tax liabilities in foreign jurisdictions related to prospective income tax rate changes adopted by the foreign jurisdiction.

ANSYS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures
For the twelve months ended December 31, 2006
(in thousands, except percentages and per share data)
(Unaudited)

	As Reported	Adjustments	Non-GAAP Results
Total revenue:	\$263,640	\$18,387 (1)	\$282,027
Operating income	36,156	73,001 (2)	109,157
Operating profit margin	13.7%		38.7%
Net income	\$14,156	\$56,509 (3)	\$70,665
Earnings per share -			

diluted:		
Diluted earnings per share	\$0.19	\$0.92
Weighted average shares - diluted	76,398	76,398

- (1) Amount represents the revenue not reported during the period as a result of the purchase accounting adjustment associated with EITF 01- 3, "Accounting in a Business Combination for Deferred Revenue of an Acquiree."
- (2) Amount represents \$20.9 million of amortization expense associated with intangible assets acquired in business acquisitions, including amounts primarily related to acquired software, customer list and non- compete agreements, a \$5.6 million charge for stock-based compensation in accordance with SFAS No. 123R, "Share-Based Payment," \$28.1 million of acquired in-process research and development expense that was purchased in the Fluent acquisition and immediately expensed, as well as the \$18.4 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 \$16.5 million.

ANSYS, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands)
(Unaudited)

	December 31, 2007	December 31, 2006
ASSETS:		
Cash & short-term investments	\$ 171,851	\$ 104,486
Accounts receivable, net	48,281	37,341
Goodwill	453,689	452,824
Other intangibles, net	176,850	204,115
Other assets	118,621	103,930
 Total assets	 \$ 969,292	 \$ 902,696
LIABILITIES & STOCKHOLDERS' EQUITY:		
Deferred revenue	\$ 122,799	\$ 101,226
Long-term debt (including current portion)	60,146	123,320
Other liabilities	145,137	143,357
Stockholders' equity	641,210	534,793
 Total liabilities & stockholders' equity	 \$ 969,292	 \$ 902,696

ANSYS, INC. AND SUBSIDIARIES
Reconciliation of Forward-Looking Guidance
Quarter Ending March 31, 2008

	Earnings Per Share Range - Diluted
U.S. GAAP expectation	\$0.24 - \$0.26
Adjustment to exclude acquisition-related amortization	\$0.05 - \$0.06
Adjustment to exclude stock-based compensation	\$0.03
Non-GAAP expectation	\$0.33 - \$0.34

ANSYS, INC. AND SUBSIDIARIES
Reconciliation of Forward-Looking Guidance
Year Ending December 31, 2008

Earnings Per Share Range
- Diluted

U.S. GAAP expectation	\$1.12 - \$1.19
Adjustment to exclude acquisition-related amortization	\$0.20 - \$0.22
Adjustment to exclude stock-based compensation	\$0.12 - \$0.14
Non-GAAP expectation	\$1.48 - \$1.51

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