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Cadence Design Systems, Inc.
Condensed Consolidated Balance Sheets
March 31, 2012 and December 31, 2011
(In thousands)
(Unaudited)

	March 31, 2012	December 31, 2011
Current Assets:		
Cash and cash equivalents	\$ 659,687	\$ 601,602
Short-term investments	3,287	3,037
Receivables	79,997	136,772
Inventories	41,720	43,243
2015 notes hedges	257,775	215,113
Prepaid expenses and other	69,178	64,216
Total current assets	1,111,644	1,063,983
Property, plant and equipment, net of accumulated depreciation of \$662,068 and \$658,990, respectively	257,743	262,517
Goodwill	192,445	192,125
Acquired intangibles, net of accumulated amortization of \$82,530 and \$91,542, respectively	166,528	173,234
Long-term receivables	7,555	11,371
Other assets	58,917	58,039
Total Assets	\$ 1,794,832	\$ 1,761,269
Current Liabilities:		
Convertible notes	\$ 297,653	\$ 294,061
2015 notes embedded conversion derivative	257,775	215,113
Accounts payable and accrued liabilities	143,760	165,791
Current portion of deferred revenue	312,238	340,401
Total current liabilities	1,011,426	1,015,366
Long-Term Liabilities:		
Long-term portion of deferred revenue	62,634	73,959
Convertible notes	133,459	131,920
Other long-term liabilities	126,561	128,894
Total long-term liabilities	322,654	334,773
Stockholders' Equity	460,752	411,130
Total Liabilities and Stockholders' Equity	\$ 1,794,832	\$ 1,761,269

Cadence Design Systems, Inc.
Trended Condensed Consolidated Balance Sheets
(In thousands)
(Unaudited)

	April 2, 2011	July 2, 2011	October 1, 2011	December 31, 2011	March 31, 2012
Current Assets:					
Cash and cash equivalents	\$ 612,208	\$ 665,317	\$ 696,101	\$ 601,602	\$ 659,687
Short-term investments	10,917	3,255	2,959	3,037	3,287
Receivables, net	172,543	150,241	152,433	136,772	79,997
Inventories	43,050	44,391	47,056	43,243	41,720
2015 notes hedges	-	222,085	-	215,113	257,775
Prepaid expenses and other	83,920	79,966	59,910	64,216	69,178
Total current assets	<u>922,638</u>	<u>1,165,255</u>	<u>958,459</u>	<u>1,063,983</u>	<u>1,111,644</u>
Property, plant and equipment, net	273,161	267,758	259,940	262,517	257,743
Goodwill	159,081	173,752	192,153	192,125	192,445
Acquired intangibles, net	172,345	178,566	180,045	173,234	166,528
Long-term receivables	11,452	10,622	9,178	11,371	7,555
2015 notes hedges	201,047	-	179,658	-	-
Other assets	75,980	78,672	81,244	58,039	58,917
Total assets	<u>\$ 1,815,704</u>	<u>\$ 1,874,625</u>	<u>\$ 1,860,677</u>	<u>\$ 1,761,269</u>	<u>\$ 1,794,832</u>
Current Liabilities:					
Convertible notes	\$ 144,999	\$ 433,857	\$ 148,530	\$ 294,061	\$ 297,653
2015 notes embedded conversion derivative	-	222,085	-	215,113	257,775
Accounts payable and accrued liabilities	188,648	165,698	140,422	165,791	143,760
Current portion of deferred revenue	340,015	362,762	360,580	340,401	312,238
Total current liabilities	<u>673,662</u>	<u>1,184,402</u>	<u>649,532</u>	<u>1,015,366</u>	<u>1,011,426</u>
Long-Term Liabilities:					
Long-term portion of deferred revenue	100,064	91,360	88,039	73,959	62,634
Convertible notes	411,198	128,928	420,982	131,920	133,459
2015 notes embedded conversion derivative	201,047	-	179,658	-	-
Other long-term liabilities	132,027	138,619	145,870	128,894	126,561
Total long-term liabilities	<u>844,336</u>	<u>358,907</u>	<u>834,549</u>	<u>334,773</u>	<u>322,654</u>
Stockholders' Equity:					
Common stock and capital in excess of par value	1,716,254	1,725,660	1,713,151	1,733,884	1,735,689
Treasury stock, at cost	(332,065)	(330,093)	(294,285)	(290,462)	(269,646)
Accumulated deficit	(1,139,018)	(1,114,847)	(1,092,468)	(1,083,245)	(1,053,745)
Accumulated other comprehensive income	52,535	50,596	50,198	50,953	48,454
Total stockholders' equity	<u>297,706</u>	<u>331,316</u>	<u>376,596</u>	<u>411,130</u>	<u>460,752</u>
Total liabilities and stockholders' equity	<u>\$ 1,815,704</u>	<u>\$ 1,874,625</u>	<u>\$ 1,860,677</u>	<u>\$ 1,761,269</u>	<u>\$ 1,794,832</u>

Cadence Design Systems, Inc.
Condensed Consolidated Income Statements
For the Three Months Ended March 31, 2012 and April 2, 2011
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended	
	March 31, 2012	April 2, 2011
Revenue:		
Product	\$ 190,024	\$ 141,819
Services	29,542	27,805
Maintenance	96,264	96,478
Total revenue	<u>315,830</u>	<u>266,102</u>
Costs and Expenses:		
Cost of product	15,401	14,194
Cost of services	19,374	20,075
Cost of maintenance	11,811	10,898
Marketing and sales	83,795	78,372
Research and development	108,594	101,299
General and administrative	27,770	19,302
Amortization of acquired intangibles	3,786	4,459
Restructuring and other charges (credits)	(51)	(41)
Total costs and expenses	<u>270,480</u>	<u>248,558</u>
Income from operations	45,350	17,544
Interest expense	(8,537)	(10,986)
Other income, net	2,434	4,469
Income before provision for income taxes	39,247	11,027
Provision for income taxes	8,143	4,704
Net income	<u>\$ 31,104</u>	<u>\$ 6,323</u>
Basic net income per share	<u>\$ 0.12</u>	<u>\$ 0.02</u>
Diluted net income per share	<u>\$ 0.11</u>	<u>\$ 0.02</u>
Weighted average common shares outstanding - basic	<u>267,940</u>	<u>261,533</u>
Weighted average common shares outstanding - diluted	<u>277,733</u>	<u>268,578</u>

Cadence Design Systems, Inc.
Trended Condensed Consolidated Income Statements
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended				
	April 2, 2011	July 2, 2011	October 1, 2011	December 31, 2011	March 31, 2012
Revenue:					
Product	\$ 141,819	\$ 157,938	\$ 163,966	\$ 177,113	\$ 190,024
Services	27,805	29,477	29,102	30,308	29,542
Maintenance	96,478	95,855	99,389	100,585	96,264
Total revenue	266,102	283,270	292,457	308,006	315,830
Costs and Expenses:					
Cost of product	14,194	20,074	18,185	17,204	15,401
Cost of services	20,075	20,616	20,410	20,397	19,374
Cost of maintenance	10,898	10,716	11,223	11,164	11,811
Marketing and sales	78,372	77,006	79,914	88,506	83,795
Research and development	101,299	99,268	103,154	97,024	108,594
General and administrative	19,302	25,377	24,041	24,143	27,770
Amortization of acquired intangibles	4,459	4,505	3,786	3,786	3,786
Restructuring and other charges (credits)	(41)	751	(433)	83	(51)
Total costs and expenses	248,558	258,313	260,280	262,307	270,480
Income from operations	17,544	24,957	32,177	45,699	45,350
Interest expense	(10,986)	(10,768)	(10,830)	(10,441)	(8,537)
Other income (expense), net	4,469	8,394	7,244	(2,033)	2,434
Income before provision (benefit) for income taxes	11,027	22,583	28,591	33,225	39,247
Provision (benefit) for income taxes	4,704	(4,325)	485	22,333	8,143
Net income	\$ 6,323	\$ 26,908	\$ 28,106	\$ 10,892	\$ 31,104
Basic net income per share	\$ 0.02	\$ 0.10	\$ 0.11	\$ 0.04	\$ 0.12
Diluted net income per share	\$ 0.02	\$ 0.10	\$ 0.10	\$ 0.04	\$ 0.11
Weighted average common shares outstanding - basic	261,533	263,191	264,723	266,120	267,940
Weighted average common shares outstanding - diluted	268,578	270,885	270,741	273,057	277,733

Cadence Design Systems, Inc.
Condensed Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2012 and April 2, 2011
(In thousands)
(Unaudited)

	Three Months Ended	
	March 31, 2012	April 2, 2011
Cash and Cash Equivalents at Beginning of Period	\$ 601,602	\$ 557,409
Cash Flows from Operating Activities:		
Net income	31,104	6,323
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	21,939	22,907
Amortization of debt discount and fees	5,734	7,263
Stock-based compensation	11,525	9,357
Gain on investments, net	(1,949)	(4,447)
Non-cash restructuring and other charges	63	65
Deferred income taxes	223	65
Provisions (recoveries) for losses (gains) on trade and installment contract receivables, net	-	(5,197)
Other non-cash items	683	488
Changes in operating assets and liabilities, net of effect of acquired businesses:		
Current and long-term receivables	60,172	37,642
Inventories	(154)	(4,016)
Prepaid expenses and other	(5,545)	(5,456)
Other assets	(577)	1,662
Accounts payable and accrued liabilities	(19,582)	(20,681)
Deferred revenue	(39,315)	15,607
Other long-term liabilities	(3,612)	(5,217)
Net cash provided by operating activities	<u>60,709</u>	<u>56,365</u>
Cash Flows from Investing Activities:		
Proceeds from the sale of available-for-sale securities	-	1,497
Proceeds from the sale of long-term investments	44	2,677
Purchases of property, plant and equipment	(8,201)	(5,181)
Investment in venture capital partnerships and equity investments	(250)	(608)
Cash paid in business combinations and asset acquisitions, net of cash acquired, and acquisition of intangibles	(1,041)	(2,538)
Net cash used for investing activities	<u>(9,448)</u>	<u>(4,153)</u>
Cash Flows from Financing Activities:		
Principal payments on receivable sale financing	-	(2,829)
Tax effect related to employee stock transactions allocated to equity	2,842	160
Payment of acquisition-related contingent consideration	(39)	-
Proceeds from issuance of common stock	12,761	8,897
Stock received for payment of employee taxes on vesting of restricted stock	(6,173)	(2,854)
Net cash provided by financing activities	<u>9,391</u>	<u>3,374</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(2,567)</u>	<u>(787)</u>
Increase in cash and cash equivalents	<u>58,085</u>	<u>54,799</u>
Cash and Cash Equivalents at End of Period	<u>\$ 659,687</u>	<u>\$ 612,208</u>

Cadence Design Systems, Inc.
Trended Condensed Consolidated Statements of Cash Flows
For the Five Quarters Ended March 31, 2011
(In thousands)
(Unaudited)

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012
Cash and Cash Equivalents at Beginning of Period	\$ 557,409	\$ 612,208	\$ 665,317	\$ 696,101	\$ 601,602
Cash Flows from Operating Activities:					
Net income	6,323	26,908	28,106	10,892	31,104
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization	22,907	23,376	22,651	22,714	21,939
Amortization of debt discount and fees	7,263	7,324	7,481	7,198	5,734
Stock-based compensation	9,357	10,341	11,891	11,999	11,525
(Gain) loss on investments, net	(4,447)	(9,229)	(5,544)	3,483	(1,949)
Non-cash restructuring and other charges	65	71	66	38	63
Tax impact of convertible notes interest	-	-	-	8,486	-
Deferred income taxes	65	(4,876)	70	(3,070)	223
Provisions (recoveries) for losses (gains) on trade and installment contract receivables, net	(5,197)	(688)	(711)	-	-
Other non-cash items	488	2,030	1,171	(493)	683
Changes in operating assets and liabilities, net of effect of acquired businesses:					
Current and long-term receivables	37,642	26,893	(806)	13,056	60,172
Inventories	(4,016)	(2,971)	(2,780)	2,947	(154)
Prepaid expenses and other	(5,456)	7,425	17,749	335	(5,545)
Other assets	1,662	(183)	2,239	(5,938)	(577)
Accounts payable and accrued liabilities	(20,681)	(27,969)	(23,182)	24,882	(19,582)
Deferred revenue	15,607	10,372	(5,734)	(33,653)	(39,315)
Other long-term liabilities	(5,217)	589	(240)	(739)	(3,612)
Net cash provided by operating activities	<u>56,365</u>	<u>69,413</u>	<u>52,427</u>	<u>62,137</u>	<u>60,709</u>
Cash Flows from Investing Activities:					
Proceeds from the sale of available-for-sale securities	1,497	8,091	-	205	-
Proceeds from the sale of long-term investments	2,677	108	2,039	4,967	44
Purchases of property, plant and equipment	(5,181)	(6,131)	(6,391)	(13,718)	(8,201)
Investment in venture capital partnerships and equity investments	(608)	-	-	-	(250)
Cash paid in business combinations and asset acquisitions, net of cash acquired, and acquisition of intangibles	(2,538)	(20,327)	(21,187)	-	(1,041)
Net cash used for investing activities	<u>(4,153)</u>	<u>(18,259)</u>	<u>(25,539)</u>	<u>(8,546)</u>	<u>(9,448)</u>
Cash Flows from Financing Activities:					
Principal payments on receivable sale financing	(2,829)	-	-	(3,013)	-
Payment of 2011 Notes	-	-	-	(150,000)	-
Tax effect related to employee stock transactions allocated to equity	160	807	1,930	2,652	2,842
Payment of acquisition-related contingent consideration	-	-	-	-	(39)
Proceeds from issuance of common stock	8,897	1,405	6,692	2,720	12,761
Stock received for payment of employee taxes on vesting of restricted stock	(2,854)	(4,535)	(2,537)	(4,299)	(6,173)
Net cash provided by (used for) financing activities	<u>3,374</u>	<u>(2,323)</u>	<u>6,085</u>	<u>(151,940)</u>	<u>9,391</u>
Effect of exchange rate changes on cash and cash equivalents	(787)	4,278	(2,189)	3,850	(2,567)
Increase (decrease) in cash and cash equivalents	<u>54,799</u>	<u>53,109</u>	<u>30,784</u>	<u>(94,499)</u>	<u>58,085</u>
Cash and Cash Equivalents at End of Period	<u>\$ 612,208</u>	<u>\$ 665,317</u>	<u>\$ 696,101</u>	<u>\$ 601,602</u>	<u>\$ 659,687</u>

Cadence Design Systems, Inc.
As of April 25, 2012
Impact of Non-GAAP Adjustments on Forward Looking Diluted Net Income Per Share
(Unaudited)

	Three Months Ending June 30, 2012 Forecast	Year Ending December 29, 2012 Forecast
Diluted net income per share on a GAAP basis	\$0.13 to \$0.14	\$0.45 to \$0.49
Amortization of acquired intangibles	0.02	0.09
Stock-based compensation expense	0.04	0.17
Non-qualified deferred compensation expenses	-	0.01
Integration and acquisition-related costs	-	-
Amortization of debt discount	0.02	0.08
Other income or expense related to investments and non-qualified deferred compensation plan assets*	-	(0.01)
Income tax effect of non-GAAP adjustments	(0.04)	(0.13)
Diluted net income per share on a non-GAAP basis	<u>\$0.17 to \$0.18</u>	<u>\$0.66 to \$0.70</u>

* Includes, as applicable, equity in losses or income from investments, write-down of investments, gains or losses on sale of investments and gains or losses on non-qualified deferred compensation plan assets recorded in Other income, net.

Cadence Design Systems, Inc.
As of April 25, 2012
Impact of Non-GAAP Adjustments on Forward Looking Net Income
(Unaudited)

(\$ in Millions)	Three Months Ending June 30, 2012 Forecast	Year Ending December 29, 2012 Forecast
Net income on a GAAP basis	\$35 to \$40	\$126 to \$138
Amortization of acquired intangibles	7	26
Stock-based compensation expense	10	49
Non-qualified deferred compensation expenses	-	2
Integration and acquisition-related costs	-	1
Amortization of debt discount	5	21
Other income or expense related to investments and non-qualified deferred compensation plan assets*	-	(2)
Income tax effect of non-GAAP adjustments	(10)	(37)
Net income on a non-GAAP basis	<u>\$47 to \$52</u>	<u>\$186 to \$198</u>

* Includes, as applicable, equity in losses or income from investments, write-down of investments, gains or losses on sale of investments and gains or losses on non-qualified deferred compensation plan assets recorded in Other income, net.

Cadence Design Systems, Inc.
Reconciliation of GAAP Net Income to Non-GAAP Net Income
For the Three Months Ended March 31, 2012 and April 2, 2011
(Unaudited)

(In thousands)	Three Months Ended	
	March 31, 2012	April 2, 2011
Net income on a GAAP basis	\$ 31,104	\$ 6,323
Amortization of acquired intangibles*	6,685	6,655
Stock-based compensation expense**	11,525	9,357
Non-qualified deferred compensation expenses***	1,798	1,762
Restructuring and other charges (credits)	(51)	(41)
Shareholder litigation costs	46	68
Integration and acquisition-related costs****	448	474
Amortization of debt discount	5,089	6,519
Other income or expense related to investments and non-qualified deferred compensation plan assets †	(1,949)	(4,391)
Income tax effect of non-GAAP adjustments	(8,195)	(3,468)
Net income on a non-GAAP basis	\$ 46,500	\$ 23,258

† Includes, as applicable, equity in losses or income from investments, write-down of investments, gains or losses on sale of investments and gains or losses on non-qualified deferred compensation plan assets recorded in Other income, net.

* Total amortization of acquired intangibles is reported in the Condensed Consolidated Income Statements as follows:

(In thousands)	Three Months Ended	
	March 31, 2012	April 2, 2011
Cost of product	\$ 2,899	\$ 2,196
Amortization of acquired intangibles	3,786	4,459
Total amortization of acquired intangibles	\$ 6,685	\$ 6,655

** Total stock-based compensation expense is reported in the Condensed Consolidated Income Statements as follows:

(In thousands)	Three Months Ended	
	March 31, 2012	April 2, 2011
Cost of product	\$ 25	\$ 24
Cost of services	474	458
Cost of maintenance	306	295
Marketing and sales	2,511	2,017
Research and development	5,008	3,865
General and administrative	3,201	2,698
Total stock-based compensation expense	\$ 11,525	\$ 9,357

*** Cadence records operating expenses (credits) related to its non-qualified deferred compensation plan assets as those assets increase or decrease in value. An offsetting gain or loss is recorded in Other income, net, such that the net impact on Cadence's Net income is not significant. The operating expenses (credit) are reported in the Condensed Consolidated Income Statements as follows:

(In thousands)	Three Months Ended	
	March 31, 2012	April 2, 2011
Cost of product	\$ 1	\$ 1
Cost of services	29	15
Cost of maintenance	19	10
Marketing and sales	257	321
Research and development	807	762
General and administrative	685	653
Total non-qualified deferred compensation expenses	\$ 1,798	\$ 1,762

**** Total integration and acquisition-related costs are reported in the Condensed Consolidated Income Statements as follows:

(In thousands)	Three Months Ended	
	March 31, 2012	April 2, 2011
Marketing and sales	\$ 109	\$ 100
Research and development	230	307
General and administrative	109	24
Interest expense	-	43
Total integration and acquisition-related costs	\$ 448	\$ 474

Cadence Design Systems, Inc.
Reconciliation of GAAP Diluted Net Income Per Share to Non-GAAP Diluted Net Income Per Share
For the Three Months Ended March 31, 2012, April 2, 2011 and December 31, 2011
(Unaudited)

(In thousands, except per share data)	Three Months Ended		
	March 31, 2012	April 2, 2011	December 31, 2011
Diluted net income per share on a GAAP basis	\$ 0.11	\$ 0.02	\$ 0.04
Amortization of acquired intangibles	0.03	0.03	0.03
Stock-based compensation expense	0.04	0.04	0.05
Non-qualified deferred compensation expenses (credits)	0.01	0.01	(0.01)
Restructuring and other charges (credits)	-	-	-
Shareholder litigation costs	-	-	-
Executive and other employee severance costs	-	-	0.01
Integration and acquisition-related costs	-	-	-
Amortization of debt discount	0.02	0.02	0.02
Other income or expense related to investments and non-qualified deferred compensation plan assets *	(0.01)	(0.02)	0.01
Income tax effect of non-GAAP adjustments	(0.03)	(0.01)	0.02
Diluted net income per share on a non-GAAP basis	\$ 0.17	\$ 0.09	\$ 0.17
Shares used in calculation of diluted net income per share - GAAP **	277,733	268,578	273,057
Shares used in calculation of diluted net income per share - non-GAAP **	277,733	268,578	273,057

* Includes, as applicable, equity in losses or income from investments, write-down of investments, gains or losses on sale of investments and gains or losses on non-qualified deferred compensation plan assets recorded in Other income, net.

** Shares used in the calculation of GAAP net income per share are expected to be the same as shares used in the calculation of non-GAAP net income per share, except when the company reports a GAAP net loss and non-GAAP net income, or GAAP net income and a non-GAAP net loss.

Cadence Design Systems, Inc.
Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures
(Unaudited)

	Three Months Ended March 31, 2012 Actual (In thousands)	Three Months Ended December 31, 2011 Actual (In thousands)	Three Months Ended April 2, 2011 Actual (In thousands)		
GAAP total costs and expenses	\$ 270,480	\$ 262,307	\$ 248,558		
Reconciling items to non-GAAP total costs and expenses					
Amortization of acquired intangibles	(6,685)	(6,681)	(6,655)		
Stock-based compensation expense	(11,525)	(11,999)	(9,357)		
Non-qualified deferred compensation (expenses) credits	(1,798)	3,560	(1,762)		
Restructuring and other (charges) credits	51	(83)	41		
Shareholder litigation costs	(46)	(192)	(68)		
Integration and acquisition-related costs	(448)	(353)	(431)		
Executive and other employee severance costs	-	(2,931)	-		
Non-GAAP total costs and expenses	<u>\$ 250,029</u>	<u>\$ 243,628</u>	<u>\$ 230,326</u>		
	Three Months Ended March 31, 2012 Actual	Three Months Ended December 31, 2011 Actual	Three Months Ended April 2, 2011 Actual	Three Months Ending June 30, 2012 Forecast	Year Ending December 29, 2012 Forecast
GAAP operating margin as a percent of total revenue	14%	15%	7%	16% to 17%	15% to 16%
Reconciling items to non-GAAP operating margin as a percent of total revenue					
Amortization of acquired intangibles	2%	2%	2%	2%	2%
Stock-based compensation expense	4%	4%	3%	3%	4%
Non-qualified deferred compensation expenses (credits)	1%	-1%	1%	0%	0%
Restructuring and other charges (credits)	0%	0%	0%	0%	0%
Shareholder litigation costs	0%	0%	0%	0%	0%
Integration and acquisition-related costs	0%	0%	0%	0%	0%
Executive and other employee severance costs	0%	1%	0%	0%	0%
Non-GAAP operating margin as a percent of total revenue	<u>21%</u>	<u>21%</u>	<u>13%</u>	<u>21% to 22%</u>	<u>21% to 22%</u>
	Year Ending December 29, 2012 Forecast				
(In millions)					
GAAP total other income (expense), net	\$(33) to \$(29)				
Reconciling items to non-GAAP total other income (expense), net					
Other income or expense related to investments and non-qualified deferred compensation plan assets*	(2)				
Amortization of debt discount	21				
Non-GAAP total other income (expense), net	<u>\$(14) to \$(10)</u>				

* Includes, as applicable, equity in losses or income from investments, write-down of investments, gains or losses on sale of investments and gains or losses on non-qualified deferred compensation plan assets recorded in Other income (expense), net.

Cadence Design Systems, Inc.
Reconciliation of Selected GAAP Operating Expenses to Non-GAAP Operating Expenses
(Unaudited)

(In thousands)	For the three months ended March 31, 2012						
	Operating expenses on a GAAP basis	Stock-based compensation	Amortization of acquired intangibles	Non-qualified deferred compensation expenses	Integration and acquisition- related costs	Shareholder litigation costs	Operating expenses on a non-GAAP basis
Cost of product	15,401	(25)	(2,899)	(1)	-	-	12,476
Cost of services	19,374	(474)	-	(29)	-	-	18,871
Cost of maintenance	11,811	(306)	-	(19)	-	-	11,486
Marketing and sales	83,795	(2,511)	-	(257)	(109)	-	80,918
Research and development	108,594	(5,008)	-	(807)	(230)	-	102,549
General and administrative	27,770	(3,201)	-	(685)	(109)	(46)	23,729
Amortization of acquired intangibles	3,786	-	(3,786)	-	-	-	-
		<u>(11,525)</u>	<u>(6,685)</u>	<u>(1,798)</u>	<u>(448)</u>	<u>(46)</u>	

Cadence Design Systems, Inc.
(Unaudited)

Revenue Mix by Geography (% of Total Revenue)

<u>GEOGRAPHY</u>	<u>2010</u>					<u>2011</u>					<u>2012</u>
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Year</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Year</u>	<u>Q1</u>
Americas	40%	46%	43%	45%	43%	44%	47%	44%	44%	45%	44%
Europe	22%	23%	20%	23%	22%	21%	20%	21%	20%	20%	19%
Japan	23%	14%	20%	14%	18%	19%	17%	18%	17%	18%	18%
Asia	15%	17%	17%	18%	17%	16%	16%	17%	19%	17%	19%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Revenue Mix by Product Group (% of Total Revenue)

<u>PRODUCT GROUP</u>	<u>2010</u>					<u>2011</u>					<u>2012</u>
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Year</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Year</u>	<u>Q1</u>
Functional Verification and Design IP	22%	26%	25%	22%	24%	28%	33%	30%	32%	30%	30%
Digital IC Design	21%	21%	23%	26%	23%	24%	21%	22%	21%	22%	23%
Custom IC Design	27%	26%	24%	27%	26%	20%	22%	23%	23%	22%	23%
Design for Manufacturing	9%	6%	8%	7%	7%	8%	6%	6%	6%	7%	7%
System Interconnect	9%	10%	10%	8%	9%	10%	8%	9%	8%	9%	8%
Services & Other	12%	11%	10%	10%	11%	10%	10%	10%	10%	10%	9%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Note: Product Group total revenue includes Product + Maintenance