Synopsys Posts Financial Results for Second Quarter Fiscal Year 2013

Q2 2013 Financial Highlights

- Revenue: \$499.3 million

- GAAP earnings per share: \$0.44

- Non-GAAP earnings per share: \$0.66

MOUNTAIN VIEW, Calif., May 22, 2013 PRNewswire/ -- Synopsys, Inc. (Nasdaq: SNPS), a global leader providing software, IP and services used to accelerate innovation in chips and electronic systems, today reported results for its second quarter of fiscal year 2013.

For the second quarter of fiscal year 2013, Synopsys reported revenue of \$499.3 million, compared to \$432.6 million for the second quarter of fiscal 2012, an increase of 15 percent.

"Synopsys again delivered strong results in Q2, and as a result we are raising our operating cash flow and non-GAAP earnings per share targets for the year," said Aart de Geus, chairman and co-CEO of Synopsys. "The latest silicon technologies offer high value but also great technical challenges. Because of this, more and more customer executives are sharing with us where they are heading and how Synopsys can help them succeed, leading to robust demand and market momentum."

GAAP Results

On a generally accepted accounting principles (GAAP) basis, net income for the second quarter of fiscal 2013 was \$68.7 million, or \$0.44 per share, compared to \$21.0 million, or \$0.14 per share, for the second quarter of fiscal 2012. Net income for the second quarter of fiscal 2012 included \$30.2 million of costs associated with the acquisition of Magma Design Automation.

Non-GAAP Results

On a non-GAAP basis, net income for the second quarter of fiscal 2013 was \$103.7 million, or \$0.66 per share, compared to non-GAAP net income of \$78.5 million, or \$0.53 per share, for the second quarter of fiscal 2012.

Financial Targets

Synopsys also provided its financial targets for the third quarter and full fiscal year 2013. These targets do not include any future acquisition-related expenses that may be incurred in fiscal 2013. These targets constitute forward-looking information and are based on current expectations. For a discussion of factors that could cause actual results to differ materially from these targets, see "Forward-Looking Statements" below.

Third Quarter of Fiscal Year 2013 Targets:

- Revenue: \$475 million \$485 million
- GAAP expenses: \$411 million \$428 million
- Non-GAAP expenses: \$365 million \$375 million
- Other income and expense: (\$1) million \$1 million
- Tax rate applied in non-GAAP net income calculations: 24-25 percent
- Fully diluted outstanding shares: 155 million 159 million
- GAAP earnings per share: \$0.28 \$0.34
- Non-GAAP earnings per share: \$0.53 \$0.55
- · Revenue from backlog: approximately 90 percent

Full Fiscal Year 2013 Targets:

- Revenue: \$1.955 billion \$1.975 billion
- Other income and expense: \$5 \$9 million
- Tax rate applied in non-GAAP net income calculations: approximately 23 percent
- Fully diluted outstanding shares: 155 million 159 million
- GAAP earnings per share: \$1.48 \$1.56
- Non-GAAP earnings per share: \$2.37 \$2.42
- · Cash flow from operations: \$375 million \$400 million

GAAP Reconciliation

Synopsys continues to provide all information required in accordance with GAAP, but believes evaluating its ongoing operating results may not be as useful if an investor is limited to reviewing only GAAP financial measures. Accordingly, Synopsys presents non-GAAP financial measures in reporting its financial results to provide investors with an additional tool to evaluate Synopsys' operating results in a manner that focuses on what Synopsys believes to be its ongoing business operations and what Synopsys uses to evaluate its ongoing operations and for internal planning and forecasting purposes. Synopsys' management does not itself, nor does it suggest that investors should, consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Synopsys' management believes it is useful for itself and investors to review, as applicable, both GAAP information that includes: (i) the amortization of acquired intangible assets, (ii) the impact of stock compensation, (iii) acquisition-related costs, including inventory fair value adjustments, (iv) other significant items, including facilities restructuring, and (v) the income tax effect of non-GAAP pre-tax adjustments as well as unusual or infrequent tax adjustments; and the non-GAAP measures that exclude such information in order to assess the performance of Synopsys' business and for planning and forecasting in subsequent periods. Whenever Synopsys uses a non-GAAP financial measure, it provides a reconciliation of the non-GAAP financial measure to the most closely applicable GAAP financial measures and the reconciliation of these non-GAAP financial measures as detailed below.

Reconciliation of Second Quarter Fiscal Year 2013 Results

The following tables reconcile the specific items excluded from GAAP in the calculation of non-GAAP net income and earnings per share for the periods indicated below.

GAAP to Non-GAAP Reconciliation of Second Quarter Fiscal Year 2013 Results (Unaudited and in thousands, except per share amounts)

	Three Months Ended April 30,		Six Mont	ıs Ended	
			Apri	il 30,	
	2013	2012	2013	2012	
GAAP net income	\$ 68,691	\$ 20,971	\$ 138,613	\$ 77,665	
Adjustments:					
Amortization of intangible assets	32,273	28,604	64,676	45,513	
Stock compensation	15,529	20,602	33,229	36,851	
Acquisition-related costs	1,992	30,853	3,828	32,088	
Inventory fair value adjustment	=	-	1,809	-	
Facility restructuring charges	302	-	30	470	
Tax adjustments	(15,123)	(22,532)	(35,554)	(31,759)	
Non-GAAP net income	\$ 103,664	\$ 78,498	\$ 206,631	\$ 160,828	

	Three Months Ended April 30,		Six Months Ended April 30,					
		2013	:	2012		2013	:	2012
GAAP net income per share	\$	0.44	\$	0.14	\$	0.89	\$	0.52
Adjustments:								
Amortization of intangible assets		0.21		0.19		0.42		0.31
Stock compensation		0.10		0.14		0.22		0.25
Acquisition-related costs		0.01		0.21		0.02		0.22
Inventory fair value adjustment		-		-		0.01		-
Facility restructuring charges		0.00		-		0.00		0.00
Tax adjustments		(0.10)		(0.15)		(0.23)		(0.22)
Non-GAAP net income per share	\$	0.66	\$	0.53	\$	1.33	\$	1.08
Shares used in calculation	1	56,606	1-	49,297	1	55,662	1	48,259

Reconciliation of Target Non-GAAP Operating Results

The following tables reconcile the specific items excluded from GAAP in the calculation of target non-GAAP operating results for the periods indicated below.

Range for Three Months
Ending July 31, 2013 (1)

	g,,,,	
	Low	High
Target GAAP expenses	\$ 411,000	\$ 428,000
Adjustments:		
Estimated impact of amortization of intangible assets	(30,000)	(34,000)
Estimated impact of stock compensation	(16,000)	(19,000)
Target non-GAAP expenses	\$ 365,000	\$ 375,000

Range for Three Months

	Ending July 31,	2013 (1)
	Low	High
Target GAAP earnings per share	\$ 0.28	\$ 0.34
Adjustments:		
Estimated impact of amortization of intangible assets	0.22	0.19
Estimated impact of stock compensation	0.12	0.10
Net non-GAAP tax adjustments	(0.09)	(0.08)
Target non-GAAP earnings per share	\$ 0.53	\$ 0.55
Shares used in non-GAAP calculation (midpoint of target range)	157.000	157.000

GAAP to Non-GAAP Reconciliation of Full Fiscal Year 2013 Targets

Range for Fiscal Year

	Ending October 31, 2013 (1)	
	Low	High
Target GAAP earnings per share	\$ 1.48	\$ 1.56
Adjustments:		
Estimated impact of amortization of intangible assets	0.84	0.80
Estimated impact of stock compensation	0.45	0.42
Acquisition-related costs	0.02	0.02
Inventory fair value adjustment	0.01	0.01
Facility restructuring charges	0.00	0.00
Net non-GAAP tax adjustments	(0.43)	(0.39)
Target non-GAAP earnings per share	\$ 2.37	\$ 2.42
Shares used in non-GAAP calculation (midpoint of target range)	157,000	157,000

⁽¹⁾ Synopsys' third quarter and fiscal year end on August 3, and November 2, 2013, respectively. For presentation purposes, the periods refer to the closest calendar month end.

Earnings Call Open to Investors

Synopsys will hold a conference call for financial analysts and investors today at 2:00 p.m. Pacific Time. A live webcast of the call will be available at Synopsys' corporate website at www.synopsys.com. A recording of the call will be available by calling +1-800-475-6701 (+1-320-365-3844 for international callers), access code 293128, beginning at 4:00 p.m. Pacific Time today. A webcast replay will also be available on the website from approximately 5:30 p.m. Pacific Time today through the time Synopsys announces its results for the third quarter fiscal 2013 in August 2013. Synopsys will post copies of the prepared remarks of Aart de Geus, chairman and co-chief executive officer, and Brian Beattie, chief financial officer, on its website following the call. In addition, Synopsys makes additional financial information available in a financial supplement also posted on the corporate website.

Effectiveness of Information

The targets included in this release, the statements made during the earnings conference call and the information contained in the financial supplement (available in the Investor Relations section of Synopsys' website at www.synopsys.com) represent Synopsys' expectations and beliefs as of the date of this release only. Although this press release, copies of the prepared remarks of the co-chief executive officer and chief financial officer made during the call and the financial supplement will remain available on Synopsys' website through the date of the third quarter fiscal year 2013 earnings call in August 2013, their continued availability through such date does not mean that Synopsys is reaffirming or confirming their continued validity. Synopsys does not currently intend to report on its progress during the third quarter of fiscal 2013 or comment to analysts or

investors on, or otherwise update, the targets given in this earnings release.

Availability of Final Financial Statements

Synopsys will include final financial statements for the second quarter fiscal 2013 in its quarterly report on Form 10-Q to be filed by June 13, 2013.

About Synopsys

Synopsys, Inc. (Nasdaq: SNPS) accelerates innovation in the global electronics market. As a leader in electronic design automation (EDA) and semiconductor IP, its software, IP and services help engineers address their design, verification, system and manufacturing challenges. Since 1986, engineers around the world have been using Synopsys technology to design and create billions of chips and systems. Learn more at http://www.synopsys.com.

Forward-Looking Statements

The statements made in this press release regarding projected financial results in the sections entitled "Financial Targets," and "Reconciliation of Target Non-GAAP Operating Results," and certain other statements, including statements regarding customer demand for our technology and predictable business model, are forward-looking statements within the meaning of the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934. In addition, certain statements made in the earnings conference call are forward-looking statements within the meaning of the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934. Actual results could differ materially from those described by these statements due to a number of uncertainties, including, but not limited to:

- continued uncertainty in the global economy and its potential impact on the semiconductor and electronics industries;
- uncertainty in the growth of the semiconductor and electronics industry;
- Synopsys' ability to realize the potential financial or strategic benefits of acquisitions it completes, including the recent
 acquisitions of Magma Design Automation, SpringSoft and EVE, and the difficulties in the integration of the products and
 operations of acquired companies or assets into Synopsys' products and operations, including delays in customer orders,
 potential loss of customers, key employees, partners or vendors, customer demand and support obligations for product
 offerings, and disruption of ongoing business operations and diversion of management attention;
- increased competition in the market for Synopsys' products and services including through consolidation in the industry and among our customers;
- changes in demand for Synopsys' products due to fluctuations in demand for its customers' products;
- adverse changes in the relationships between Synopsys and key participants in the complex semiconductor ecosystem, including major foundries and intellectual property providers;
- litigation;
- · lower-than-anticipated new IC design starts;
- lower-than-anticipated purchases or delays in purchases of software or consulting services by Synopsys' customers, including delays in the renewal, or non-renewal, of Synopsys' license arrangements with major customers;
- changes in the mix of time-based licenses and upfront licenses;
- lower-than-expected orders; and
- failure of customers to pay license fees as scheduled.

In addition, Synopsys' actual expenses, earnings per share and tax rate on a GAAP and non-GAAP basis for the fiscal quarter ending July 31, 2013; actual expenses, earnings per share, tax rate, and other projections on a GAAP and non-GAAP basis for fiscal year 2013; and cash flow from operations on a GAAP basis for fiscal year 2013 could differ materially from the targets stated under "Financial Targets" above for a number of reasons, including, but not limited to, (i) integration and other acquisition-related costs, (ii) application of the actual consolidated GAAP and non-GAAP tax rates for such periods, or judgment by management, based upon the status of pending audits and settlements to increase or decrease an income tax asset or liability, (iii) a determination by Synopsys that any portion of its goodwill or intangible assets have become impaired, (iv) changes in the anticipated amount of employee stock-based compensation expense recognized on Synopsys' financial statements, (v) actual change in the fair value of Synopsys' non-qualified deferred compensation plan obligations, (vi) increases or decreases to estimated capital expenditures, (vii) changes driven by new accounting rules, regulations, interpretations or guidance, (viii) fluctuations in foreign currency exchange rates, (ix) general economic conditions, and (x) other risks as detailed in Synopsys' SEC filings, including those described in the "Risk Factors" section in its latest Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2013. Furthermore, Synopsys' actual tax rates applied to income for the third quarter and fiscal year 2013 could differ from the targets given in this press release as a result of a number of factors, including the actual geographic mix of revenue during the quarter and year, and actions by the government.

Finally, Synopsys' targets for outstanding shares in the third quarter and fiscal year 2013 could differ from the targets given in this press release as a result of higher than expected employee stock plan issuances, acquisitions, and the extent of Synopsys' stock repurchase activity.

Synopsys is under no obligation to (and expressly disclaims any such obligation to) update or alter any of the forward-looking statements made in this earnings release, the conference call or the financial supplement whether as a result of new information, future events or otherwise, unless otherwise required by law.

INVESTOR CONTACT:

Lisa L. Ewbank Synopsys, Inc. 650-584-1901

Synopsys-ir@synopsys.com

EDITORIAL CONTACT:

Yvette Huygen Synopsys, Inc. 650-584-4547 yvetteh@synopsys.com

SYNOPSYS, INC. Unaudited Consolidated Statements of Operations (1)

(in thousands, except per share amounts)

	Three Months End	Three Months Ended April 30,		d April 30,
	2013	2012	2013	2012
Revenue:	· · · · · · · · · · · · · · · · · · ·	<u>.</u>		_
Time-based license	\$ 413,491	\$ 363,580	\$ 799,450	\$ 719,474
Upfront	24,779	22,333	55,568	50,845
Maintenance and service	60,987	46,648	119,376	87,738
Total revenue	499,257	432,561	974,394	858,057
Cost of revenue:				
License	61,569	57,592	126,061	115,314
Maintenance and service	19,766	19,215	39,821	37,959
Amortization of intangible assets	26,398	23,699	52,914	37,087
Total cost of revenue	107,733	100,506	218,796	190,360
Gross margin	391,524	332,055	755,598	667,697
Operating expenses:				
Research and development	169,962	151,230	327,472	284,105
Sales and marketing	103,930	108,836	205,688	204,240
General and administrative	32,254	49,948	70,192	83,787
Amortization of intangible assets	5,875	4,905	11,762	8,426
Total operating expenses	312,021	314,919	615,114	580,558
Operating income	79,503	17,136	140,484	87,139
Other income (expense), net	7,204	6,353	17,953	10,179
Income before income taxes	86,707	23,489	158,437	97,318
Provision (benefit) for income taxes	18,016	2,518	19,824	19,653
Net income	\$ 68,691	\$ 20,971	\$ 138,613	\$ 77,665
Net income per share:				
Basic	\$ 0.45	\$ 0.14	\$ 0.91	\$ 0.54
Diluted	\$ 0.44	\$ 0.14	\$ 0.89	\$ 0.52
Shares used in computing per share amounts:				
Basic	153,515	145,948	152,496	144,877
Diluted	156,606	149,297	155,662	148,259

⁽¹⁾ Synopsys' second quarter of fiscal 2013 ended on May 4, 2013. For presentation purposes, we refer to a calendar month ending April 30. Synopsys' first quarter of fiscal 2012 includes an extra week.

SYNOPSYS, INC. Unaudited Consolidated Balance Sheets (1)

(in thousands, except par value amounts)

	April 30, 2013		October 31, 2012	
ASSETS:				
Cash and cash equivalents	\$ 681,018	\$	700,382	
Accounts receivable, net	251,682		292,668	
Deferred income taxes	74.558		74 712	

Total current assets	1,106,369	
		1,140,656
Property and equipment, net	195,315	191,243
Goodwill	1,980,012	1,976,987
Intangible assets, net	397,219	466,322
Long-term prepaid taxes	9,702	9,429
Long-term deferred income taxes	270,037	239,412
Other long-term assets	140,234	123,607
Total assets	\$ 4,098,888	\$ 4,147,656
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 277,114	\$ 383,093
Accrued income taxes	13,926	4,682
Deferred revenue	691,882	834,864
Short-term debt	30,000	 30,000
Total current liabilities	1,012,922	1,252,639
Long-term accrued income taxes	57,468	52,645
Long-term deferred revenue	62,840	67,184
Long-term debt	90,000	105,000
Other long-term liabilities	176,726	 126,217
Total liabilities	1,399,956	1,603,685
Stockholders' equity:		
Preferred stock, \$0.01 par value: 2,000 shares authorized; none outstanding	-	-
Common stock, \$0.01 par value: 400,000 shares authorized; 153,605 and 150,899 shares outstanding, respectively	1,535	1,509
Capital in excess of par value	1,599,164	1,585,034
Retained earnings	1,231,378	1,098,694
Treasury stock, at cost: 3,659 and 6,365 shares, respectively	(105,138)	(168,090)
Accumulated other comprehensive loss	(28,007)	 (15,461)
Total stockholders' equity excluding non-controlling interest	2,698,932	2,501,686
Non-controlling interest	<u> </u>	 42,285
Total liabilities and stockholders' equity	\$ 4,098,888	\$ 4,147,656

20,178

17,267

Income taxes receivable and prepaid taxes

SYNOPSYS, INC. Unaudited Consolidated Statements of Cash Flows (1) (in thousands)

	Six Months Ended April 30	,
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 138,613	\$ 77,665
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization and depreciation	94,154	74,862
Stock compensation	33,229	36,855
Allowance for doubtful accounts	901	452
Gain on sale of investments	(101)	(349)
Deferred income taxes	8,225	10,033
Net changes in operating assets and liabilities, net of acquired assets and liabilities:		
Accounts receivable	39,287	(11,516)
Prepaid and other current assets	(27,502)	(3,442)
Other long-term assets	(16,524)	(8,128)
Accounts payable and other liabilities	(97,569)	(48,393)
Income taxes	(2,574)	(8,436)
Deferred revenue	(127,847)	(32,147)
Net cash provided by operating activities	42,292	87,456
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of short-term investments	-	166,132
Purchases of short-term investments	-	(18,179)
Proceeds from sales of long-term investments	222	-

⁽¹⁾ Synopsys' second quarter of fiscal 2013 ended on May 4, 2013. For presentation purposes, we refer to a calendar month ending April 30. Synopsys' first quarter of fiscal 2012 includes an extra week.

Proceeds from sale of property and equipment 2,000 - Cash paid for acquisitions, net of cash acquired . (564,528) Capitalization of software development costs (1,787) (1,539) Net cash used in investing activities (28,991) (437,699) CASH FLOWS FROM FINANCING ACTIVITIES: Principal payments on capital leases (784) (1,888) Proceeds from credit facility and term loan - 250,000 Acquisition of non-controlling interest (44,004) - Repayment of debts (15,237) (21,156) Issuances of common stock 75,193 111,180 Purchases of treasury stock (34,998) (40,000) Other (1,130) - Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 5861,018 \$796,594	Purchases of property and equipment	(29,426)	(19,585)
Capitalization of software development costs (1,539) Net cash used in investing activities (28,991) (437,699) CASH FLOWS FROM FINANCING ACTIVITIES:	Proceeds from sale of property and equipment	2,000	-
Net cash used in investing activities (28,991) (437,699) CASH FLOWS FROM FINANCING ACTIVITIES: - - Principal payments on capital leases (784) (1,888) Proceeds from credit facility and term loan - 250,000 Acquisition of non-controlling interest (44,004) - Repayment of debts (15,237) (21,156) Issuances of common stock 75,193 111,180 Purchases of treasury stock (34,998) (40,000) Other (11,30) - Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 85,707	Cash paid for acquisitions, net of cash acquired	-	(564,528)
CASH FLOWS FROM FINANCING ACTIVITIES: Principal payments on capital leases (784) (1,888) Proceeds from credit facility and term loan - 250,000 Acquisition of non-controlling interest (44,004) - Repayment of debts (15,237) (21,156) Issuances of common stock 75,193 111,180 Purchases of treasury stock (34,998) (40,000) Other (1,130) - Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 855,077	Capitalization of software development costs	(1,787)	(1,539)
Principal payments on capital leases (784) (1,888) Proceeds from credit facility and term loan - 250,000 Acquisition of non-controlling interest (44,004) - Repayment of debts (15,237) (21,156) Issuances of common stock 75,193 111,180 Purchases of treasury stock (34,998) (40,000) Other (1,130) - Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 70,382 855,077	Net cash used in investing activities	(28,991)	(437,699)
Proceeds from credit facility and term loan - 250,000 Acquisition of non-controlling interest (44,004) - Repayment of debts (15,237) (21,156) Issuances of common stock 75,193 111,180 Purchases of treasury stock (34,998) (40,000) Other (1,130) - Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 855,077	CASH FLOWS FROM FINANCING ACTIVITIES:		
Acquisition of non-controlling interest (44,004) - Repayment of debts (15,237) (21,156) Issuances of common stock 75,193 111,180 Purchases of treasury stock (34,998) (40,000) Other (1,130) - Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 855,077	Principal payments on capital leases	(784)	(1,888)
Repayment of debts (15,237) (21,156) Issuances of common stock 75,193 111,180 Purchases of treasury stock (34,998) (40,000) Other (1,130) - Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 855,077	Proceeds from credit facility and term loan	-	250,000
Issuances of common stock 75,193 111,180 Purchases of treasury stock (34,998) (40,000) Other (1,130) - Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 855,077	Acquisition of non-controlling interest	(44,004)	-
Purchases of treasury stock (34,998) (40,000) Other (1,130) - Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 855,077	Repayment of debts	(15,237)	(21,156)
Other (1,130) - Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 855,077	Issuances of common stock	75,193	111,180
Net cash (used in) provided by financing activities (20,960) 298,136 Effect of exchange rate changes on cash and cash equivalents (11,705) (6,376) Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 855,077	Purchases of treasury stock	(34,998)	(40,000)
Effect of exchange rate changes on cash and cash equivalents Net change in cash and cash equivalents (11,705) (6,376) (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 855,077	Other	(1,130)	-
Net change in cash and cash equivalents (19,364) (58,483) Cash and cash equivalents, beginning of the year 700,382 855,077	Net cash (used in) provided by financing activities	(20,960)	298,136
Cash and cash equivalents, beginning of the year 700,382 855,077	Effect of exchange rate changes on cash and cash equivalents	(11,705)	(6,376)
	Net change in cash and cash equivalents	(19,364)	(58,483)
Cash and cash equivalents, end of the period \$681,018 \$796,594	Cash and cash equivalents, beginning of the year	700,382	855,077
	Cash and cash equivalents, end of the period	\$ 681,018	\$ 796,594

⁽¹⁾ Synopsys' second quarter of fiscal 2013 ended on May 4, 2013. For presentation purposes, we refer to a calendar month ending April 30. Synopsys' first quarter of fiscal 2012 includes an extra week.

SOURCE Synopsys, Inc.