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*Cadence reports large increase in place and route transition.*

Cadence Design Systems, Inc. (NYSE Symbol: CDN) reported that its Deep Submicron Business Unit's place and route products produced excellent results in the fourth quarter. Cadence does not know of any place and route benchmark or deal that it lost in the fourth quarter. Cadence's place and route business was very positively impacted by the Avant! Corporation (OTC Symbol: AVNT) (Price: \$17.9375) appeal decision. Later in the fourth quarter a Federal Judge issued an injunction preventing Avant!'s customers from using its ArcCell product. These events made the risk of design flows interruption more immediate and tangible to Avant!'s place and route customers. Place and route customers rely on these tools to manage their long-term design flows. Design software vendors must supply customers without concerns that the software will not be available in the future.

Cadence has confirmed that no senior manager, salesman or application engineer within Cadence, including within Cadence's place and route group, has any knowledge of any benchmark performance test between Cadence's Silicon Ensemble-DSMTM and Avant!'s Apollo. Avant! recently announced that two vendors purchased its Apollo product after "both companies' engineers performed extensive evaluations of competitive products".

It is possible to run a benchmark performance test without the manufacturer's participation. However, Cadence also confirmed that it has no knowledge of any informal, unofficial benchmark conducted privately by any user of both products. There is no advantage in conducting a benchmark on place and route tools without the participation of both companies.

Short selling involves a risk not associated with the purchase of stock including, but not only limited to, unlimited loss and stock borrowing risks. Additional information is available upon request.