

Cautionary Statement Regarding Forward-Looking Statements

The statements contained in the materials posted on this website include forward-looking statements based on current expectations or beliefs, as well as a number of preliminary assumptions about future events that are subject to factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, as they relate to Cadence Design Systems, Inc. and Mentor Graphics Corporation, the management of either company or the proposed transaction. However, readers are cautioned not to put undue reliance on these forward-looking statements, which are not a guarantee of future performance and are subject to a number of risks, uncertainties and other factors, many of which are outside Cadence's control, including, among others: (i) the possibility that the transaction will not be consummated, (ii) the effect of the announcement of the proposal on Cadence's and Mentor Graphics' respective businesses, including their strategic and customer relationships, ability to retain key employees and stock prices, (iii) the possibility that the announcement of the proposal may result in delays in customers' purchases of products and services, (iv) the possibility that the announcement of the proposal may result in changes in the mix of license types (i.e. perpetual, term or subscription) for existing customers, which changes could have the effect of delaying or accelerating the recognition of revenue when compared with Cadence's or Mentor Graphics' existing license mix, (v) the ability of Cadence to successfully integrate the combined company and otherwise realize within anticipated time periods the potential benefits of the acquisition, including any potential synergies described in these materials, (vi) the impact of general economic conditions in regions in which either such company currently does business, (vii) industry conditions, including competition, (viii) fluctuations in exchange rates and currency values, (ix) capital expenditure requirements, (x) legislative or regulatory requirements, (xi) changes in the tax laws and (xii) interest rates and our ability to access capital and debt markets. The actual results or performance by Cadence or Mentor Graphics could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of Cadence or Mentor

Graphics. Cadence does not intend, and undertakes no obligation, to update these forward-looking statements. All subsequent written or spoken forward-looking statements attributable to either Mentor Graphics or Cadence or persons acting on behalf of either company are expressly qualified in their entirety by these cautionary statements.

For a detailed discussion of these and other cautionary statements, please refer to Cadence's filings with the Securities and Exchange Commission. These include Cadence's Annual Report on Form 10-K for the year ended December 29, 2007 and Cadence's Quarterly Report on Form 10-Q for the quarter ended March 29, 2008.

Important Information

THE MATERIALS POSTED ON THIS WEBSITE SHOULD NOT BE CONSTRUED AS UPDATING OR REAFFIRMING PREVIOUSLY ANNOUNCED EXPECTATIONS REGARDING FUTURE OPERATING RESULTS AS ANNOUNCED IN CADENCE'S PRESS RELEASE DATED APRIL 23, 2008. DURING CADENCE'S END OF QUARTER QUIET PERIOD, CADENCE REPRESENTATIVES WILL NOT COMMENT ON CADENCE'S BUSINESS OUTLOOK OR ITS FINANCIAL RESULTS OR EXPECTATIONS, EXCEPT TO ACKNOWLEDGE THE FACTORS SET FORTH IN THIS PRESS RELEASE UNDER THE HEADING "CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS." THE QUIET PERIOD WILL EXTEND UNTIL THE DAY WHEN CADENCE'S SECOND QUARTER 2008 EARNINGS RELEASE IS PUBLISHED, WHICH IS CURRENTLY SCHEDULED FOR JULY 23, 2008. CADENCE'S FAILURE TO COMMENT SHOULD NOT BE CONSIDERED EITHER A REAFFIRMATION OR A DENIAL OF ITS PREVIOUSLY PROVIDED GUIDANCE.

THESE MATERIALS POSTED ON THIS WEBSITE ARE FOR INFORMATIONAL PURPOSES ONLY AND ARE NOT AN OFFER OR A SOLICITATION RELATING TO CADENCE'S PROPOSAL TO ACQUIRE MENTOR GRAPHICS. A TENDER

OFFER FOR THE SHARES OF MENTOR GRAPHICS COMMON STOCK HAS NOT COMMENCED. ADDITIONAL DOCUMENTS REGARDING THE TRANSACTION MAY BE FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (“SEC”) AND INVESTORS AND SECURITY HOLDERS ARE URGED TO CAREFULLY READ SUCH DISCLOSURE DOCUMENTS REGARDING THE PROPOSED TRANSACTION, IF AND WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. INVESTORS AND SECURITY HOLDERS MAY OBTAIN A FREE COPY OF THE DISCLOSURE DOCUMENTS (WHEN AND IF THEY ARE AVAILABLE) AND OTHER DOCUMENTS FILED BY CADENCE WITH THE SEC AT THE SEC’S WEBSITE AT WWW.SEC.GOV. IN ADDITION, SECURITY HOLDERS WILL BE ABLE TO OBTAIN A FREE COPY OF THESE DOCUMENTS (IF AND WHEN THEY BECOME AVAILABLE) FROM CADENCE.