

ADOBE SYSTEMS INC
Form 4
January 28, 2008

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Mendels David R

(Last) (First) (Middle)

ADOBE SYSTEMS
INCORPORATED, 345 PARK
AVENUE

(Street)

SAN JOSE, CA 95110

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ADOBE SYSTEMS INC [ADBE]

3. Date of Earliest Transaction
(Month/Day/Year)
01/24/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
SVP Enterprise Solutions

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired or Disposed of (A) or (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	01/24/2008		A	(1) 14,663 \$ 0	42,134	D	
Common Stock	01/24/2008		F	(2) 6,165 \$ 34.64	35,969	D	
Common Stock	01/24/2008		A	(3) 4,167 \$ 0	40,136	D	
Common Stock	01/24/2008		F	(2) 1,907 \$ 34.64	38,229	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)	8. Amount or Number of Shares
Incentive Stock Option (right to buy)	\$ 34.64	01/24/2008		A	3,054	<u>(4)</u> 01/24/2015	Common Stock	3,054
Non-Qualified Stock Option (right to buy)	\$ 34.64	01/24/2008		A	90,946	<u>(4)</u> 01/24/2015	Common Stock	90,946
Performance Shares	\$ 0	01/24/2008		A	V 60,000 <u>(5)</u>	<u>(6)</u> <u>(6)</u>	Common Stock	60,000 <u>(5)</u>

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Mendels David R ADOBE SYSTEMS INCORPORATED 345 PARK AVENUE SAN JOSE, CA 95110			SVP Enterprise Solutions	

Signatures

/s/Stuart Fagin, as attorney-in-fact 01/28/2008

**Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Represents the number of shares acquired upon vesting of the Performance Share Units earned under the participant's 2006 Performance (1) Share award. The participant earned approximately 105% of the award based on the achievement of certain pre-established performance goals during the 2006 and 2007 fiscal years.

Edgar Filing: ADOBE SYSTEMS INC - Form 4

- (2) Shares surrendered to pay tax liability due at vesting of Performance Share Units.

Represents the number of shares acquired upon vesting of 25% of the Performance Share Units earned under the participant's 2007

- (3) Performance Share award. The participant earned 200% of the award based on the achievement of certain pre-established performance goals during the 2007 fiscal year. The remaining Performance Share Units will vest 25% annually on the second, third, and fourth anniversary of the grant date.

- (4) Vests at a rate of 2.08% per month for 48 months.

Represents the maximum number of Performance Shares that will be earned, if at all, based on the achievement of certain pre-established

- (5) performance goals during the 2008 fiscal year. Each Performance Share Unit represents a contingent right to receive one share of ADBE common stock. The maximum number represents 200% of the target payout of 30,000 shares.

Vesting of the Performance Share Units will be 25% after the first anniversary of the grant date upon certification of performance goal

- (6) achievement with the remaining Units vesting 25% annually on the second, third, and fourth anniversary of the grant date if the initial performance goals are achieved.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.