

CADENCE DESIGN SYSTEMS INC

Form 4

May 15, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
BUSHBY KEVIN

2. Issuer Name **and** Ticker or Trading
Symbol
CADENCE DESIGN SYSTEMS
INC [CDNS]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
2655 SEELY AVENUE, BLDG. 5
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
05/12/2006

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)
Exec VP - WW Field Operations

SAN JOSE., CA 95134

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

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

(City) (State) (Zip)

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 (A) or Disposed of (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	05/12/2006		S		4,100	D	\$ 19.3	197,590	D
Common Stock	05/12/2006		S		500	D	\$ 19.32	197,090	D
Common Stock	05/12/2006		S		3,000	D	\$ 19.35	194,090	D
Common Stock	05/12/2006		S		2,300	D	\$ 19.31	191,790	D
Common Stock	05/12/2006		S		100	D	\$ 19.33	191,690	D

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Common Stock	05/15/2006	M	3,750	A	\$ 10.105	195,440	D
Common Stock	05/15/2006	M	15,000	A	\$ 12.625	210,440	D
Common Stock	05/15/2006 ⁽¹⁾	S	6,000	D	\$ 19.1	204,440	D
Common Stock	05/15/2006 ⁽¹⁾	S	4,000	D	\$ 19.0131	200,440	D
Common Stock	05/15/2006 ⁽¹⁾	S	5,000	D	\$ 19.1023	195,440	D
Common Stock	05/15/2006 ⁽¹⁾	S	3,750	D	\$ 19.1318	191,690	D

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

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(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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Non-qualified stock option (right to buy)	\$ 10.105	05/15/2006		M	3,750	⁽²⁾ 01/29/2013	Common Stock 3,750
Non-Qualified stock option (right to buy)	\$ 12.625	05/15/2006		M	15,000	⁽³⁾ 07/31/2012	Common Stock 15,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
BUSHBY KEVIN	Exec VP - WW Field Operations

2655 SEELY AVENUE, BLDG. 5
SAN JOSE,, CA 95134

Signatures

R.L. Smith McKeithen, Attorney-in-Fact for Kevin
Bushby

05/15/2006

____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).
- (1) The transaction reported in this Form 4 was effected pursuant to a Rule 10b5-1 Trading Plan adopted by reporting person on February 7, 2006.
- (2) Option was granted on January 29, 2003 and vests at a rate of 1/48th per month thereafter.
- (3) Option was granted on July 31, 2002 and vests at a rate of 1/48th per month thereafter.

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

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