

CADENCE DESIGN SYSTEMS INC
 Form 4
 May 17, 2006

FORM 4

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

OMB APPROVAL

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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 *
GAVRIELOV MOSHE

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)
05/15/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP, GM, Verification Division

SAN JOSE, CA 95134

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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	05/15/2006		A		75,000	A	\$ 13.855
Common Stock	05/15/2006		S		<u>6,000</u> ⁽¹⁾	D	\$ 19.1
Common Stock	05/15/2006		S		<u>4,000</u> ⁽¹⁾	D	\$ 19.0131
Common Stock	05/15/2006		S		<u>5,000</u> ⁽¹⁾	D	\$ 19.1023
Common Stock	05/15/2006		S		<u>5,000</u> ⁽¹⁾	D	\$ 19.1318

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Common Stock	05/15/2006	S	<u>10,000</u> (1)	D	\$ 19.176	176,063	D
Common Stock	05/15/2006	S	<u>5,000</u> (1)	D	\$ 19.2	171,063	D
Common Stock	05/15/2006	S	<u>5,000</u> (1)	D	\$ 19.0574	166,063	D
Common Stock	05/15/2006	S	<u>5,000</u> (1)	D	\$ 19.0007	161,063	D
Common Stock	05/15/2006	S	<u>5,000</u> (1)	D	\$ 19.0726	156,063	D
Common Stock	05/15/2006	S	<u>5,000</u> (1)	D	\$ 19.0064	151,063	D
Common Stock	05/15/2006	S	<u>5,000</u> (1)	D	\$ 19.0022	146,063	D
Common Stock	05/15/2006	S	<u>7,500</u> (1)	D	\$ 19.0278	138,563	D
Common Stock	05/15/2006	S	<u>1,800</u> (1)	D	\$ 19.0335	136,763	D
Common Stock	05/15/2006	S	<u>5,700</u> (1)	D	\$ 19.01	131,063	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)	Amount or Number of Shares
Non-qualified stock option (right to buy)	\$ 13.855	05/15/2006		M	75,000	<u>(2)</u> 04/15/2006	Common Stock	75,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GAVRIELOV MOSHE 2655 SEELY AVENUE, BLDG. 5 SAN JOSE, CA 95134			EVP, GM, Verification Division	

Signatures

R.L. Smith McKeithen, Attorney-in-Fact for Moshe Gavriellov
05/17/2006

__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 10b-5 trading plan adopted by the reporting person on May 8, 2006.
- (2) Option was granted on April 15, 2005 and vests at a rate of 1/4th of the grant on one-year anniversary of the vesting commencement date and 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. 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.