

CADENCE DESIGN SYSTEMS INC
 Form 4
 February 16, 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 *
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)
02/15/2006

____ Director _____ 10% Owner
 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)
 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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	02/15/2006		M		20,000	A	\$ 10.105
Common Stock	02/15/2006 ⁽¹⁾		S		12,000	D	\$ 17.06
Common Stock	02/15/2006 ⁽¹⁾		S		1,400	D	\$ 16.98
Common Stock	02/15/2006 ⁽¹⁾		S		900	D	\$ 16.91
Common Stock	02/15/2006		M		40,000	A	\$ 12.625
							231,690
							239,690
							230,290
							217,390
							257,390

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Common Stock 02/15/2006⁽¹⁾ S 45,700 D \$ 16.75 211,690 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		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
					Acquired (A)	or Disposed of (D)	Date Exercisable	Expiration Date		
Non-qualified stock option (right to buy)	\$ 10.105	02/15/2006		M	20,000		⁽²⁾	01/29/2013	Common Stock	20,000
Non-qualified stock option (right to buy)	\$ 12.625	02/15/2006		M	40,000		⁽³⁾	07/31/2012	Common Stock	40,000

Reporting Owners

Reporting Owner Name / Address	Relationships				
	Director	10% Owner	Officer	Other	
BUSHBY KEVIN 2655 SEELY AVENUE, BLDG. 5 SAN JOSE,, CA 95134				Exec VP - WW Field Operations	

Signatures

R.L. Smith McKeithen, Attorney-in-Fact for Kevin Bushby
 Date: 02/16/2006
 **Signature of Reporting Person

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 sale reported in this Form 4 was effected pursuant to a Rule 10b5-1 Trading Plan adopted by reporting person on February 7, 2006.

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(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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