

**Page 5 of 10**  
**Adobe Reports Solid Third Quarter Financial Results**

**Condensed Consolidated Balance Sheets**

(In thousands, except per share data; unaudited)

	<u>September 1, 2006</u>	<u>December 2, 2005</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 644,754	\$ 420,818
Short-term investments	1,341,698	1,280,016
Trade receivables, net	284,586	173,245
Other receivables	46,105	31,504
Deferred income taxes	138,504	58,710
Prepaid expenses and other current assets	40,907	44,285
Total current assets	<u>2,496,554</u>	<u>2,008,578</u>
Property and equipment, net	212,875	103,549
Goodwill	2,147,557	118,683
Purchased and other intangibles, net	541,542	16,477
Investment in lease receivable	126,800	126,800
Other assets	95,457	66,228
Total assets	<u>\$ 5,620,785</u>	<u>\$ 2,440,315</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade and other payables	\$ 38,624	\$ 41,042
Accrued expenses	253,389	226,915
Accrued restructuring	12,618	70
Income taxes payable	149,557	154,529
Deferred revenue	103,509	57,839
Total current liabilities	<u>557,697</u>	<u>480,395</u>
Other long-term liabilities		
Deferred revenue	21,282	9,731
Deferred income taxes	95,565	78,800
Accrued restructuring	24,218	—
Other long-term liabilities	8,204	7,063
Total liabilities	706,966	575,989
Stockholders' equity:		
Common stock, \$0.0001 par value	56	54
Additional paid-in-capital	2,437,694	1,350,692
Retained earnings	3,161,131	2,838,566
Accumulated other comprehensive income (loss)	1,762	(914)
Treasury stock at cost, net of re-issuances	(686,824)	(2,324,072)
Total stockholders' equity	<u>4,913,819</u>	<u>1,864,326</u>
Total liabilities and stockholders' equity	<u>\$ 5,620,785</u>	<u>\$ 2,440,315</u>