

## Adobe Reports Fourth Quarter and Fiscal 2009 Results

**Condensed Consolidated Statements of Income**

(In thousands, except per share data; unaudited)

	Three Months Ended		Year Ended	
	November 27, 2009	November 28, 2008	November 27, 2009	November 28, 2008
Revenue:				
Products .....	\$ 707,272	\$ 864,466	\$ 2,759,391	\$ 3,396,542
Services and support .....	50,011	50,835	186,462	183,347
Total revenue .....	<u>757,283</u>	<u>915,301</u>	<u>2,945,853</u>	<u>3,579,889</u>
Cost of revenue:				
Products .....	64,856	63,732	228,897	266,389
Services and support .....	17,468	22,706	67,835	96,241
Total cost of revenue .....	<u>82,324</u>	<u>86,438</u>	<u>296,732</u>	<u>362,630</u>
Gross profit.....	674,959	828,863	2,649,121	3,217,259
Operating expenses:				
Research and development.....	137,852	153,148	565,141	662,057
Sales and marketing.....	257,883	275,942	981,903	1,089,341
General and administrative.....	74,287	80,128	298,749	337,291
Restructuring charges.....	25,394	29,428	41,260	32,053
Amortization of purchased intangibles and incomplete technology.....	25,901	17,024	71,555	68,246
Total operating expenses.....	<u>521,317</u>	<u>555,670</u>	<u>1,958,608</u>	<u>2,188,988</u>
Operating income.....	153,642	273,193	690,513	1,028,271
Non-operating income (expense):				
Interest and other income, net.....	6,627	9,069	31,380	43,847
Interest expense.....	(1,535)	(1,992)	(3,407)	(10,019)
Investment gains (losses), net.....	1,478	(3,926)	(16,966)	16,409
Total non-operating income (expense), net.....	<u>6,570</u>	<u>3,151</u>	<u>11,007</u>	<u>50,237</u>
Income before income taxes.....	160,212	276,344	701,520	1,078,508
Provision for income taxes.....	192,255	30,427	315,012	206,694
Net (loss) income.....	<u>\$ (32,043)</u>	<u>\$ 245,917</u>	<u>\$ 386,508</u>	<u>\$ 871,814</u>
Basic net (loss) income per share.....	<u>\$ (0.06)</u>	<u>\$ 0.47</u>	<u>\$ 0.74</u>	<u>\$ 1.62</u>
Shares used in computing basic net (loss) income per share .....	<u>523,530</u>	<u>528,803</u>	<u>524,470</u>	<u>539,373</u>
Diluted net (loss) income per share.....	<u>\$ (0.06)</u>	<u>\$ 0.46</u>	<u>\$ 0.73</u>	<u>\$ 1.59</u>
Shares used in computing diluted net (loss) income per share.....	<u>531,961</u>	<u>534,896</u>	<u>530,610</u>	<u>548,553</u>