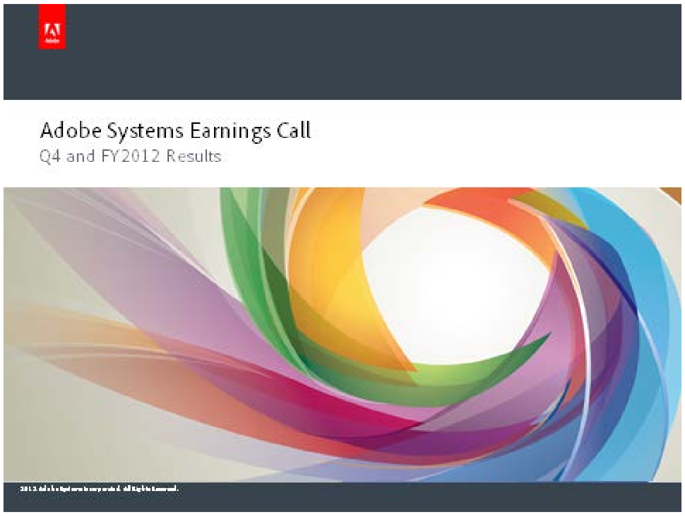
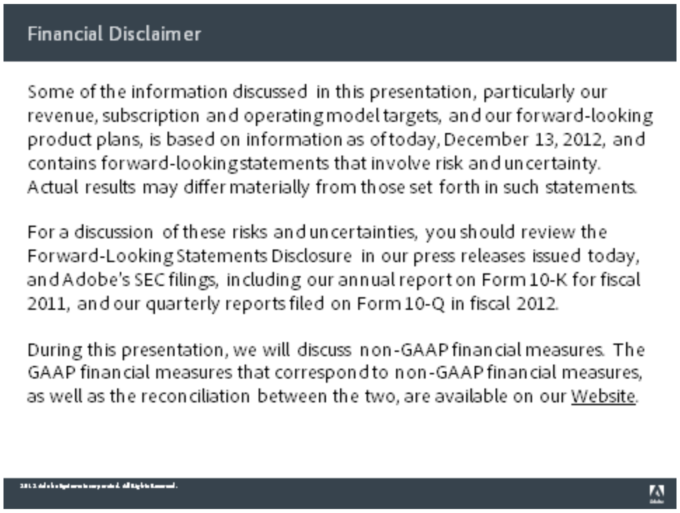


MIKE SAVIAGE

Good afternoon and thank you for joining us today. Joining me on the call are Adobe's President and CEO, Shantanu Narayen, as well as Mark Garrett, Executive Vice President and CFO.

In the call today, we will discuss Adobe's fourth quarter and fiscal year 2012 financial results. By now, you should have a copy of our earnings press release which crossed the wire approximately one hour ago. If you need a copy of the press release, you can go to Adobe.com under the Company and News Room links to find an electronic copy.



Before we get started, I want to emphasize that some of the information discussed in this call, particularly our revenue, subscription and operating model targets, and our forward-looking product plans, is based on information as of today, December 13th, 2012, and contains forward-looking statements that involve risk and uncertainty. Actual results may differ materially from those set forth in such statements. For a discussion of these risks and uncertainties, you should review the Forward-Looking Statements Disclosure in the earnings press release we issued today, as well as Adobe's SEC filings.

During this call, we will discuss GAAP and non-GAAP financial measures. A reconciliation between the two is available in today's earnings release and on our Investor Relations website in the Investor data sheet.

Call participants are advised that the audio of this conference call is being broadcast live over the Internet in Adobe Connect, and is also being recorded for playback purposes. An archive of the call will be made available on Adobe's Investor Relations website for approximately 45 days, and is the property of Adobe. The audio and archive may not be re-recorded, or otherwise reproduced or distributed without prior written permission from Adobe.

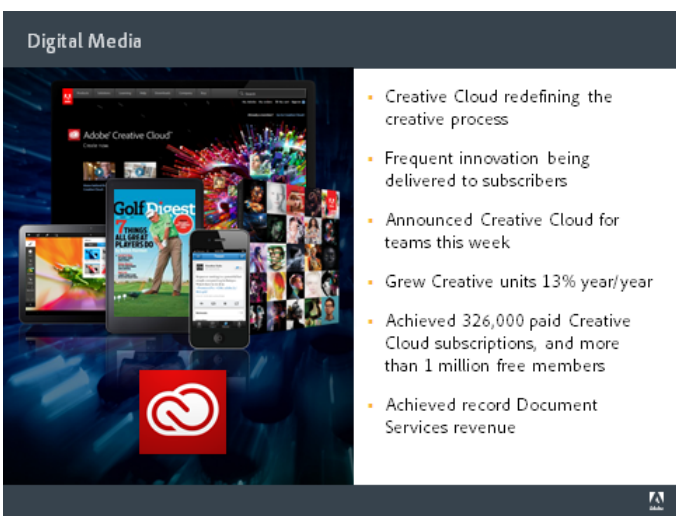
I will now turn the call over to Shantanu.

SHANTANU NARAYEN

Thanks Mike and good afternoon.

I am pleased to report we delivered record revenue of $1 billion 153 million dollars in Q4. This performance helped us achieve record revenue of $4.4 billion in fiscal year 2012.

At Adobe we are focused on two large market opportunities: Digital Media and Digital Marketing. 2012 was a milestone year in terms of innovation with our Creative Cloud and Adobe Marketing Cloud. We achieved great success in both these areas.



In the Digital Media business, we are redefining the creative process with Creative Cloud. Through frequent product and feature enhancements, new cloud services and attractive pricing, Adobe is changing how we provide value to a broader set of customers. We will deliver customized offerings for individuals, workgroups and large enterprises. As with all successful subscription services, we are offering a free trial program. This enables an easy on-ramp and a funnel of prospects that we intend to convert to paying subscribers.

Since we launched the individual Creative Cloud offering in May, we have already delivered three updates to the service. Earlier this year, we added Lightroom to the Creative Cloud, as well as new features for Dreamweaver and Illustrator. Since then, we have provided new HTML products, including Edge and Muse; and this week we delivered major feature enhancements to Photoshop and Digital Publishing Suite. We also introduced a sync and store capability, which will enable our creative customers to share and collaborate.

We are now shipping Creative Cloud for teams, which includes central administration of licenses, expert support, online training and collaboration features. Creative Cloud for enterprises, which we will deliver in 2013, integrates with Digital Publishing Suite and the Adobe Marketing Cloud, with digital asset management being an obvious area of integration. We have begun transitioning enterprise customers to Enterprise Term License Agreements, which provide them cloud services and updates to our desktop tools. Pricing for each segment is designed to reward loyal customers and aggressively transition them to the Cloud.

Response to the Creative Cloud exceeded our expectations, helping us grow total Creative units by over 13%. As of the end of the year, we had 326,000 paid memberships and over one million free Creative Cloud members. As a result, in our Creative business we exited FY12 with $153 million in annualized recurring revenue. Based on overwhelmingly positive customer feedback, our results to date, and the roadmap of new innovation planned for the coming year, we intend to accelerate customer transition to the Creative Cloud in 2013.

In Document Services, we launched Acrobat XI with newly integrated cloud services, including web contracting with Adobe EchoSign and forms creation, data collection, and analysis with FormsCentral.

Acrobat and these document services had record revenue in 2012.

Three years ago we embarked on a strategy to create a new business for Adobe. Through organic innovation and acquisitions, we have become a market leader in the explosive digital marketing category. Our Adobe Marketing Cloud enables marketers to deliver personalized web experiences across multiple devices, manage multichannel campaigns and optimize media monetization. We target chief marketing officers, chief revenue officers, advertising agencies, publishing executives and digital marketers with our solutions.

Our five Adobe Marketing Cloud solutions are architected to provide best-of-breed capabilities across analytics, online targeting, media optimization, social media and web experience management. By consolidating our 30 distinct offerings, we have simplified our messaging and made it easier for customers to license and implement our solutions. In addition to innovating on the product side, we intend to aggressively evangelize the benefits of digital in the evolution of marketing.

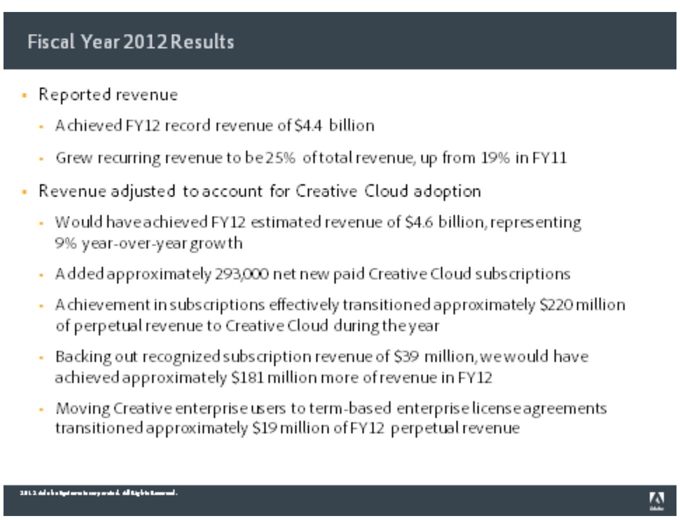
We believe Digital Marketing will be a multi-billion dollar category, and 2012 was a great year for Adobe as we established ourselves as the leader in analytics, online targeting and media optimization. In web experience management, we have the fastest growing solution in the space, doubling our market share over the past two years. As a result, we drove over $220 million of revenue in Q4, and achieved 35% annual revenue growth for the year.

In summary, 2012 was an outstanding year of accomplishments against our strategic priorities. We enter 2013 in a strong position. Now, I'll turn it over to Mark.

MARK GARRETT

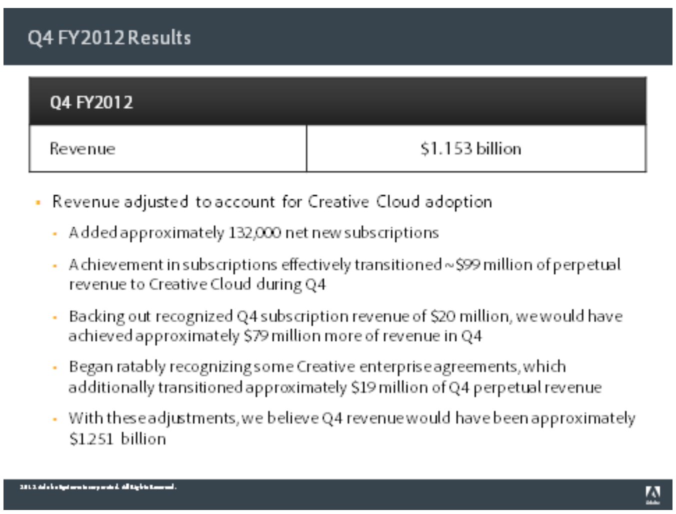
Thanks Shantanu.

Our earnings report today covers both Q4 and fiscal year 2012 results.



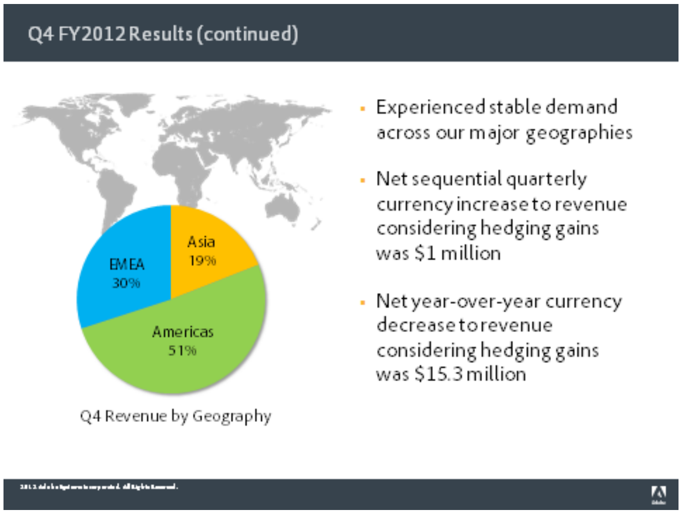
Adobe achieved record revenue of 4 billion 404 million dollars in the year, compared to 4 billion 216 million dollars in fiscal 2011. Our success in fiscal 2012 demonstrates significant progress toward our goal of transforming our business and building a predictable revenue stream. In 2012, 25% of our revenue was recurring, up from approximately 19% in FY 2011.

In fiscal 2012, we added approximately 293,000 net new paid subscriptions. Using an ASP of $750, this achievement in subscriptions effectively transitioned approximately $220 million of perpetual revenue to Creative Cloud during the year. Backing out recognized subscription revenue of $39 million, we would have achieved approximately $181 million more of revenue in FY12. Additionally, moving to term based enterprise license agreements transitioned approximately $19 million of FY12 perpetual revenue. After these adjustments, we believe FY12 revenue would have been approximately $4.6 billion, representing 9% year-over-year growth.



In the fourth quarter of fiscal 2012, Adobe achieved record revenue of 1 billion 153 million dollars – exceeding our targeted range of 1 billion 75 million to 1 billion 125 million dollars.

We continued to accelerate adoption of Creative Cloud subscriptions. In Q4 we added approximately 132,000 net new paid subscriptions. Using an ASP of $750, this achievement in subscriptions effectively transitioned approximately $99 million of perpetual revenue to Creative Cloud in Q4. After backing out recognized Q4 subscription revenue of $20 million, we would have achieved approximately $79 million more of revenue in Q4. We also began to ratably recognize some enterprise agreements, which additionally transitioned approximately $19 million of Q4 perpetual revenue. With these adjustments, we believe Q4 revenue would have been approximately $1.251 billion.



We experienced stable demand across our major geographies.

From a currency perspective, quarter-over-quarter FX rate changes had a $6.7 million positive impact on reported revenue. Hedging gains contributed $2 million to revenue in Q4 FY12, versus $7.7 million in Q3 FY12, thus the net sequential quarterly currency increase to revenue considering hedging gains was $1 million.

Year-over-year, FX rate changes had a $13.7 million negative impact on reported revenue. Comparing the $2 million in Q4 FY12 hedging gains to the $3.6 million of hedging gains in Q4 FY11, the net year-over-year currency decrease to revenue considering hedging gains was $15.3 million.

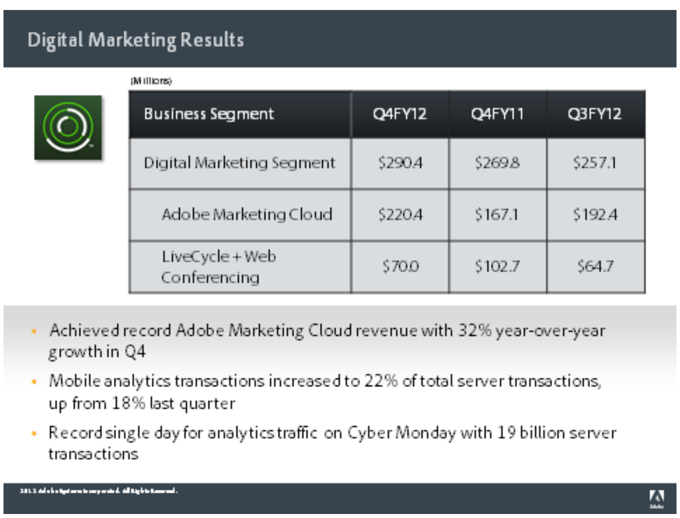
Employees at the end of Q4 totaled 11,144 versus 10,811 at the end of last quarter. The sequential increase was driven primarily by hiring in our field organization.

Our ending deferred revenue balance increased by $59.3 million to a record $619.6 million. As a reminder, Creative Cloud subscriptions are billed monthly, and are not reflected in deferred revenue on the balance sheet. Our trade DSO was 49 days, which compares to 50 days in the year-ago quarter, and 48 days last quarter.

During the quarter, cash flow from operations was $473.7 million. Our ending cash and short-term investment position was $3.54 billion, compared to $3.25 billion at the end of Q3. More than 80% of our cash is offshore.

In Q4 we repurchased approximately 2 million shares at a total cost of $67 million. For the year we repurchased approximately 11.5 million shares at a total cost of $372 million.

I will now discuss business segment results.



Digital Marketing Results

(Millions)

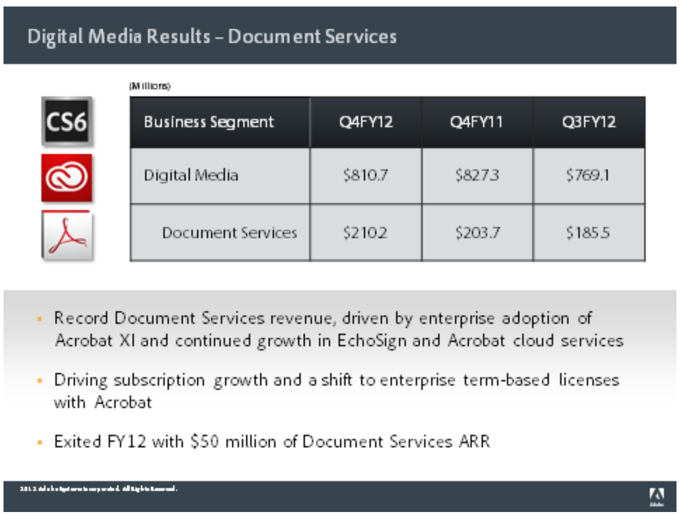
Business Segment	Q4FY12	Q4FY11	Q3FY12
Digital Marketing Segment	$290.4	$269.8	$257.1
Adobe Marketing Cloud	$220.4	$167.1	$192.4
LiveCycle + Web Conferencing	$70.0	$102.7	$64.7

- Achieved record Adobe Marketing Cloud revenue with 32% year-over-year growth in Q4
- Mobile analytics transactions increased to 22% of total server transactions, up from 18% last quarter
- Record single day for analytics traffic on Cyber Monday with 19 billion server transactions

Our Digital Marketing segment is made up of two components. The first is revenue from our Adobe Marketing Cloud, which we previously referred to as Digital Marketing Suite. During the quarter, we achieved record Adobe Marketing Cloud revenue of $220.4 million. This represents Q4 year-over-year growth of 32%.

Adobe Marketing Cloud analytics transactions in the quarter were 1.74 trillion, up 17% year-over-year. Mobile device use continues to be a driver in our analytics business; mobile transactions increased to 22%, up from 18% last quarter. On Cyber Monday we achieved a single day traffic record with 19 billion server transactions, up from the previous record of 17.5 billion last year.

The second component of our Digital Marketing segment is revenue from the LiveCycle and Connect businesses. LiveCycle and Connect contributed $70 million in Q4 revenue, down as expected from the $102.7 million we achieved in Q4 of FY11.



Digital Media Results – Document Services

(Millions)

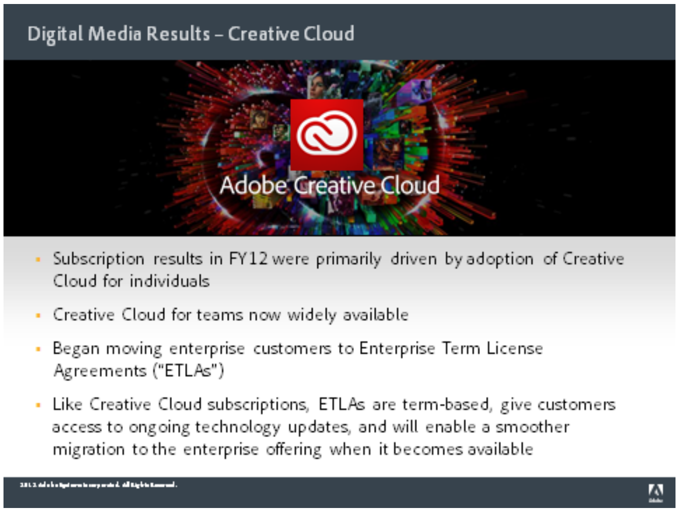
Business Segment	Q4FY12	Q4FY11	Q3FY12
Digital Media	$810.7	$827.3	$769.1
Document Services	$210.2	$203.7	$185.5

- Record Document Services revenue, driven by enterprise adoption of Acrobat XI and continued growth in EchoSign and Acrobat cloud services
- Driving subscription growth and a shift to enterprise term-based licenses with Acrobat
- Exited FY12 with $50 million of Document Services ARR

In our Digital Media segment, we achieved revenue of $810.7 million. The two major components of revenue are our Creative family of products and our Document Services products.

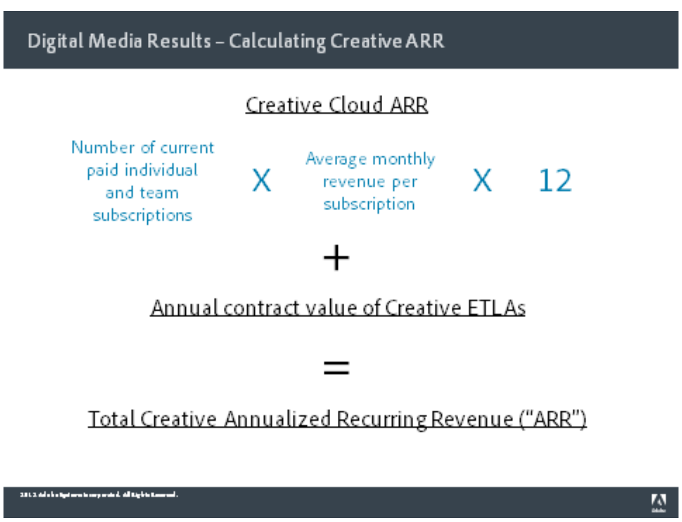
In Document Services, the new Acrobat release achieved strong enterprise adoption. That, plus continued growth in EchoSign, our electronic contract solution, and Acrobat cloud services, drove record revenue in Q4 of $210.2 million. Similar to the Creative business, we are driving subscriptions growth and a shift to enterprise term-based licenses. As a result, we exited the year with approximately $50 million in annualized recurring revenue in Document Services.

I'd now like to discuss our Creative Cloud business.



Our strategy is to provide differentiated offerings for our Creative Cloud customers. During fiscal 2012, our subscription results were primarily driven by adoption of Creative Cloud for individuals. Towards the end of Q4 we had a limited release of Creative Cloud for teams, which became widely available this week.

In 2013, we will be offering Creative Cloud to enterprise customers. In anticipation of transitioning enterprise customers to Creative Cloud, during Q4 we began moving them to Enterprise Term License Agreements, or ETLAs. Like Creative Cloud subscriptions, ETLAs are term-based, give customers access to ongoing technology updates, and will enable a smoother migration to the enterprise offering when it becomes available.



Earlier this year we introduced several metrics to help you understand our progress with Creative Cloud adoption. They included total number of subscriptions and Annualized Recurring Revenue, or ARR. ARR is calculated by multiplying the number of current paid subscriptions, by the average monthly revenue per user per month, multiplied by twelve. We also provided a methodology to correlate the value of our new subscribers to revenue we would have recognized if those customers had licensed perpetual software, assuming a transaction value based on product mix.

As our enterprise customers migrate to ETLAs, some of these contracts involve estimated numbers of licenses rather than precise registered user information. As such, we have decided we should exclude enterprise-based subscriptions from our Creative Cloud subscription count. However, because revenue from ETLAs is recognized ratably, we will include the annual contract value of ETLAs in our Creative ARR calculations.

Digital Media Results – Creative Cloud Metrics

Metric	Q4 FY12	Q3FY12	Q2 FY12
Total paid subscriptions exiting the quarter	326,000	194,000	~100,000
Average subscription additions per week	10,000	8,000	~5,000*
Percentage on Annual (vs. month-to-month)	90%	88%	79%
Percentage with full Creative Cloud (vs. point products)	81%	79%	66%

- Added 132,000 net new subscriptions in Q4
  - Excludes enterprise ETLA users
  - Includes users from Creative Cloud for teams
- Average subscriptions per week increased to 10,000
- 90% are on Annual plan and 81% have full Creative Cloud offering

* Estimated average entering Q3 FY12

Now I would like to review our recent Creative Cloud results.

During the fourth quarter, we continued to accelerate the adoption of Creative Cloud subscriptions. We added approximately 132,000 net new individual and team subscriptions during the quarter. To reiterate, these do not include enterprise users who are covered under ETLA agreements.

In Q4, we averaged 10,000 new subscriptions per week, up from 8,000 per week in Q3. Exiting Q4, 90% of subscribers are on an annual subscription versus month-to-month; and 81% of subscribers are subscribed to the full Creative Cloud versus point product subscriptions.

Digital Media Results – Creative ARR

Metric	Q4 FY12	Q3FY12	Q2 FY12
Creative Annualized Recurring Revenue (millions)	$153	$90	$43
Creative Cloud ARR (millions)	$146	$90	–
Creative ETLA Annual Contract Value (millions)	$7	–	–

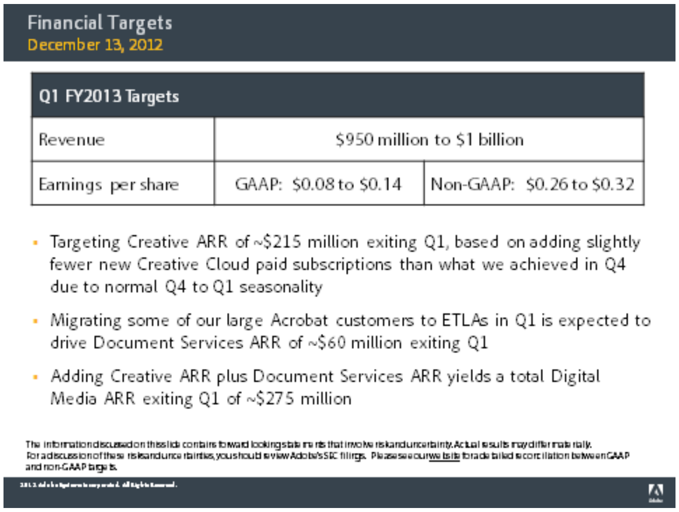
- Adobe.com is increasingly becoming the preferred way for our customers to engage with us
  - 28% of all Creative subscriptions and perpetual units were licensed via Adobe.com in FY12 (up from 18% last year)
- Achieved 13% year-over-year Creative unit growth in FY12

We exited Q4 with Creative ARR of $153 million, up from $90 million of ARR exiting Q3. $146 million of ARR was from Creative Cloud individual and team subscriptions. The remaining $7 million was from the annual contract value of ETLAs signed in Q4.

Adobe.com is increasingly becoming the preferred way for our customers to engage with us. 28% of all Creative subscriptions and perpetual units were licensed via Adobe.com in FY12, up from 18% last year.

With Creative Cloud for individuals and teams now available, and with our sales team migrating enterprise customers to ETLAs, we are in a position to utilize all our routes to market to help accelerate customer migration to Creative Cloud. At our last analyst meeting, we reported that total Creative product units have been at approximately 3 million units per year for each of the past four years. We disclosed our goal to increase total perpetual and subscription units by 10% this year. I'm pleased to report that we grew Creative units 13% in FY12.

Now let's look at Q1 and FY13.



For the first quarter of fiscal 2013, we are targeting a revenue range of $950 million to $1 billion dollars.

In Digital Media we expect to exit Q1 with approximately $215 million of Creative ARR – up from $153 million in Q4. The estimated Q1 Creative ARR is based on adding slightly fewer new Creative Cloud paid subscriptions than what we achieved in Q4 due to normal Q4 to Q1 seasonality.

In Document Services, we expect to exit Q1 with approximately $60 million of Document Services ARR – up from $50 million in Q4.

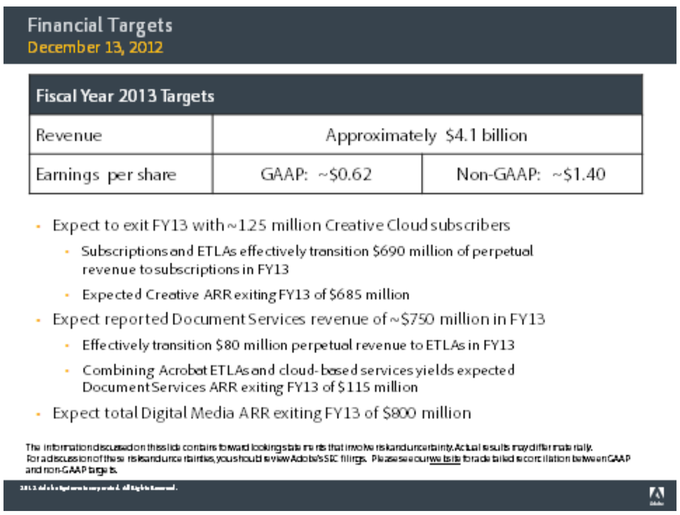
Adding Creative ARR to Document Services ARR yields a total Digital Media ARR exiting Q1 of approximately $275 million.

Assuming the midpoint of our targeted revenue range, we expect Digital Media reported revenue to be down sequentially due to continued migration to Creative Cloud subscription and ETLAs, as well as normal Q1 seasonality. In our Digital Marketing segment, we expect Adobe Marketing Cloud Q1 revenue to be relatively flat with Q4 revenue, coupled with a sequential decline in our LiveCycle and Connect businesses. We expect Print and Publishing to also be flat quarter-over-quarter.

In addition, we are targeting our Q1 share count to be 503 million to 505 million shares. We are targeting non-operating expense to be between $19 million and $21 million on both a GAAP and non-GAAP basis. We are targeting a Q1 GAAP tax rate of 28%, and a non-GAAP tax rate of 22.5%.

These targets yield a Q1 GAAP earnings per share range of eight cents to fourteen cents per share, and a Q1 non-GAAP earnings per share range of 26 cents to 32 cents.

Now I would like to discuss fiscal 2013.



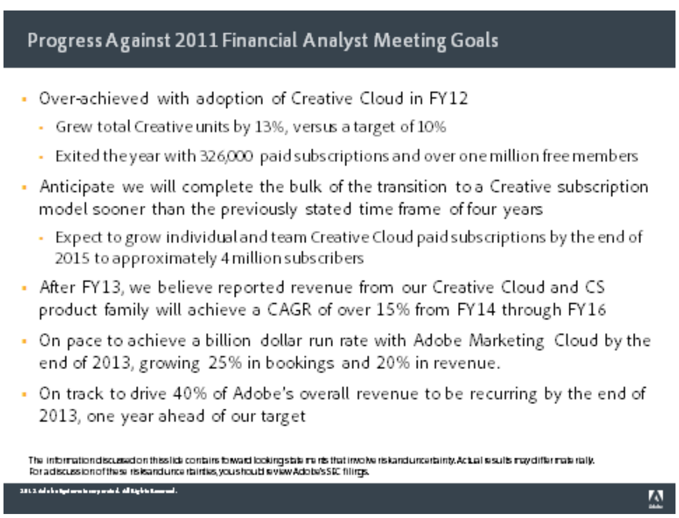
We expect to exit FY13 with over 1.25 million paid Creative Cloud individual and team subscriptions. We expect the impact of these subscriptions and continued adoption of ETLAs to effectively transition approximately $690 million of reported perpetual revenue to subscriptions next year, and to exit the year with a total ARR of approximately $685 million.

In Document Services, in order to drive consistency in how we sell to enterprise customers, we have begun to migrate many of our large Acrobat customers to ETLAs. As a result, we expect Document Services reported revenue to be approximately $750 million in FY13, with an additional $80 million of perpetual revenue transitioned to ETLAs that will be ratably recognized. Together, this results in a targeted growth rate in Document Services of 5% to 7%.

Combining Acrobat ETLAs and cloud-based services, we expect to exit FY13 with $115 million of Document Services ARR. FY13 will be the pivotal year in our transition to a subscription model, and we expect to exit the year with approximately $800 million of Digital Media ARR.

As the leader in the Digital Marketing segment, we will continue to invest in this explosive growth category. By focusing on the five solution areas in the Adobe Marketing Cloud, we expect to grow bookings by over 25%, yielding reported revenue growth of over 20%. In just a few years, we will have built a brand new, billion dollar business for Adobe. We expect LiveCycle and Connect to continue to decline, but to contribute an estimated $200 million of revenue during FY13. We expect Print and Publishing to be flat year-over-year.

We expect total Adobe reported revenue in FY13 to be approximately $4.1 billion. We will closely manage expenses during this upcoming transition year, and expect earnings per share to be approximately $0.62 on a GAAP-basis, and $1.40 on a non-GAAP basis. Keep in mind, the $770 million of revenue effectively transitioned from perpetual to subscription and ETLAs equates to approximately $1.20 of non-GAAP EPS.



At our analyst meeting last November, we said we would redefine the creative process and deliver an amazing set of products and services for our customers, available via a new subscription model. In FY12, we over-achieved our goals by growing total Creative units by 13%. We exited the year with 326,000 paid subscriptions, and over one million free members.

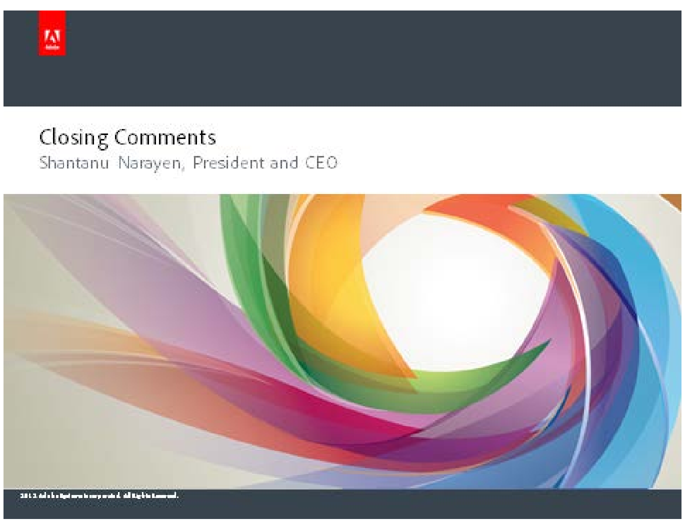
At the analyst meeting, we said the transition to a Cloud model would be complete within four years. Based on our success in FY12 and our plans for FY13, we anticipate we will complete the bulk of the transition sooner than that, with approximately 4 million individual and team Creative Cloud paid subscriptions by the end of 2015. After FY13, we believe reported revenue from our Creative Cloud and CS product family will achieve a CAGR of over 15% from FY14 through FY16.

We said by the end of 2014 we would build a billion dollar business in Digital Marketing. With the success we've achieved in FY12 we're on pace to achieve a billion dollar run rate by the end of 2013, growing 25% in bookings and 20% in revenue.

We said that by the end of 2014, 40% of Adobe's overall revenue would be recurring. We're on track to achieve this goal exiting the end of 2013.

While FY13 is a transition year, we are confident that our strategy and our execution show that the company is better positioned than it has ever been. We are committed to providing continued transparency to demonstrate progress as we reinvent the company.

I'd now like to turn the call back over to Shantanu.



SHANTANU NARAYEN

Thanks Mark. These are exciting times at Adobe.

Last year we outlined a strategy to reinvent the company and accelerate growth by focusing on the Digital Media and Digital Marketing categories. I am pleased to report we are ahead of schedule in our transformation.

We continue to be the undisputed leader in Digital Media, and in just seven months since the launch of the Creative Cloud, we have over 326,000 paid subscriptions and $153 million of ARR. We are a leader in Digital Marketing, with the most comprehensive offering and the inside track with the marketing community. This business, which didn't exist three years ago at Adobe, is on pace to reach a billion dollars in annual revenue.

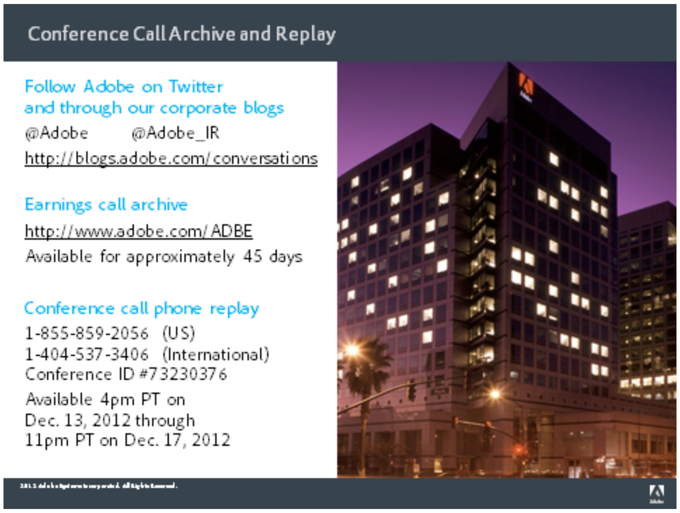
As we close the year, we see huge opportunity for Adobe ahead. The dramatic shift we are making in our business is really not different than what we've done for the past thirty years. Innovation is in our blood. It defines us, and galvanizes our employees. We look forward to 2013.

Thank you for joining us today. Now, I'll turn the call back over to Mike.

MIKE SAVIAGE

Thanks Shantanu.

Before we begin Q&A I have a few logistics items to go over.



First, for those investors and financial analysts who want to stay current on the latest Adobe news, we encourage you follow Adobe on Twitter, Facebook and YouTube, and to frequently check Adobe's corporate blogs on blogs.adobe.com. We are increasingly using blogs and social channels as a primary means to communicate important information. In addition, tv.adobe.com is a great resource to learn more about Adobe's products and solutions, and check out new customer case studies. We have updated Adobe's Investor Relations website to provide easier access to these resources.

During fiscal 2013, Adobe Investor Relations will also begin to use Twitter to highlight news and interesting stories or articles which will help the investment community stay on top of what's happening. Follow "Adobe_IR" on Twitter to track what we have to say.

Second, I'd like to highlight the invitation we sent out last week to attend our upcoming Digital Marketing Summit in March. There's no better way to immerse yourself into the opportunities we see in this explosive category, and how Adobe is best positioned to win in this market. Contact Adobe Investor Relations to get more information for how to attend.

And third, I'd like to highlight that we've slightly modified our segment reporting for fiscal 2013. We have moved our video server solutions products from Digital Media to Digital Marketing, to better align the role of how Adobe can help its customers monetize their video assets with our Digital Marketing solutions. The updated IR datasheet we've published today contains a page with the new segments by product name. An updated IR datasheet with restated revenue by segments will be made available by the end of January, around the time our 10-K is filed. For reference, the amount of Q4 revenue that will be moving from Digital Media to Digital Marketing is less than $10 million.

In regard to today's earnings report, we have posted several documents on our IR web site – including a copy of the script containing our prepared remarks for today's call. Given the new detailed information we've provided today, the script should be a useful resource to assist with modeling our business.

To access these documents and the other investor-related information, go to www.adobe.com/ADBE.

For those who wish to listen to a playback of today's conference call, a web-based Adobe Connect archive of the call will be available from the IR page on Adobe.com later today. Alternatively, you can listen to a phone replay by calling 855-859-2056; use conference ID #73230376. Again, the number is 855-859-2056 with ID #73230376. International callers should dial 404-537-3406. The phone playback service will be available beginning at 4pm Pacific Time today, and ending at 4pm Pacific Time on Monday December 17th, 2012.

We would now be happy to take your questions. Operator.