GRAFF JOHN Form 4 February 06, 2006

## FORM 4

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

OMB APPROVAL

Number: 3235-0287

Expires: January 31, 2005

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Estimated average burden hours per response...

Check this box if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * GRAFF JOHN			2. Issuer rame and riener of fracing				5. Relationship of Reporting Person(s) to Issuer  (Check all applicable)			
(Last)  C/O NATION INSTRUM BLDG B	` /	(N 0	3. Date of Earliest Transaction (Month/Day/Year) 02/03/2006			_	Director 10% Owner Officer (give title Other (specify below) Vice President			
AUSTIN,	(Street)  TX 78759		Filed(Month/Day/Year)				6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			
(City)	(State)	(Zip)	Table I - Non-l	Derivative	Secur	ities Acqui	ired, Disposed of	, or Beneficial	ly Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)		Pate, if Transaction Code	4. Securit or Dispos (Instr. 3, 4	ed of (		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)	
Common Stock	02/03/2006		M	2,362	A	\$ 5.9259	45,409	D		
Common Stcok	02/03/2006		M	13,750	A	\$ 5.9259	59,159	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)

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# 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 or Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exer Expiration D (Month/Day,	Pate	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 5.9259	02/03/2006		M	2,362	<u>(1)</u>	03/20/2006	Common Stock	2,362
Employee Stock Option (right to buy)	\$ 5.9259	02/03/2006		M	13,750	(2)	03/20/2006	Common Stock	13,750

# **Reporting Owners**

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			

**GRAFF JOHN** 

C/O NATIONAL INSTRUMENTS

11500 MOPAC BLDG B AUSTIN, TX 78759 Vice President

Relationshine

### **Signatures**

David G. Hugley as attorney-in-fact for John Graff 02/06/2006

\*\*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) Options vest and become exercisable ratably over a 60-month period from the date of the grant.
- (2) Options vest and become exercisable based on time and performance milestones set by the Issuer.

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.

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