NETWORK APPLIANCE INC

Form 4 June 20, 2005

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

January 31, 2005

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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 *LAU JAMES K			2. Issuer Name and Ticker or Trading Symbol NETWORK APPLIANCE INC [NTAP]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
(Last) (Augustian (Last) (Last	(First) A DRIVE	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 06/16/2005	Director 10% Owner Specify below)
SUNNYVALE, C	Street) CA 94089		4. If Amendment, Date Original 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) Tabl	e I - Non-I	Derivative S	ecuriti	es Acqu	iired, Disposed of	f, or Beneficial	y 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. Securitie on(A) or Disp (Instr. 3, 4	osed o	of (D)	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	06/16/2005		M	100,000	A	\$ 9.99	4,513,573	I	by Trust3
Common Stock	06/16/2005		S	50,000	D	\$ 30	4,463,573	I	by Trust3
Common Stock	06/17/2005		S	50,000	D	\$ 30.2	4,413,573	I	by Trust3
Common Stock							3,223	D	
Common Stock							69,000	I	by GRAT1 (2)

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Common Stock	69,000	I	by GRAT2 (3)
Common Stock	16,000	I	by Trust1
Common Stock	16,000	I	by Trust2

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. 5. Number of TransactiorDerivative Code Securities (Instr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4, and		Expiration I (Month/Day or	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amou Underlying Secur (Instr. 3 and 4)	
				Code V	5) (A) (D)	Date Exercisable	Expiration Date	Title	Am Nui Sha	
Non-Qualified Stock Option (right to buy)	\$ 9.99	06/16/2005		M	100,00	0 (6)	10/31/2012	Common Stock	10	

Reporting Owners

Reporting Owner Name / Address	Relationships					
1	Director	10% Owner	Officer	Other		
LAU JAMES K						
495 EAST IAVA DRIVE			Chief Strategy Officer			

Signatures

SUNNYVALE, CA 94089

By: Janice Mahoney by Power of Attorney For: James
K. Lau

06/20/2005

**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) Shares held in trust by James K. Lau and Katherine S. Lau, trustees to the KNSK Trust UDT 9/18/00

Reporting Owners 2

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- (2) Shares held in grantor retained annuity trust by Nextgen-K1 Trust U/I DTD Jan 30 2003, James K. Lau, Trustee
- (3) Shares held in grantor retained annuity trust by Nextgen-J1 Trust U/I DTD Jan 30 2003, James K. Lau, Trustee
- (4) Shares held in trust by Koon H. Lau, trustee to The Jason A. Lau 1998 Trust. Reporting person disclaims beneficial ownership of such shares.
- (5) Shares held in trust by Koon H. Lau, trustee to The Jonathan A. Lau 1998 Trust. Reporting person disclaims beneficial ownership of such shares.
- Option vests in a series of equal monthly installments over 48 months of service beginning with the one-month annniversary of the grant date.

Remarks:

Amount of Non-Derivative Securities Beneficially Owned by Direct Ownership includes 868 shares acquired under Network Andrews 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.