

SECURITIES AND EXCHANGE COMMISSION

FORM 4

Statement of changes in beneficial ownership of securities

Filing Date: **2007-12-10** | Period of Report: **2007-12-06**
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REPORTING OWNER

LANTERMAN KATHY A

CIK: **1206838**

Type: **4** | Act: **34** | File No.: **001-10441** | Film No.: **071296594**

Business Address
*SILICON GRAPHICS INC
1600 AMPHITHEATRE
PARKWAY
MOUNTAIN VIEW CA 94043*

ISSUER

SILICON GRAPHICS INC

CIK: **802301** | IRS No.: **942789662** | State of Incorpor.: **DE** | Fiscal Year End: **0630**
SIC: **3571** Electronic computers

Mailing Address
*1500 CRITTENDEN LANE
-
MOUNTAIN VIEW CA 94043*

Business Address
*1500 CRITTENDEN LANE
MOUNTAIN VIEW CA 94043
6509601980*

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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. Name and Address of Reporting Person LANTERMAN KATHY A			2. Issuer Name and Ticker or Trading Symbol SILICON GRAPHICS INC [SGIC]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) ____ Director _____ 10% Owner <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) SVP & Chief Financial Officer		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 12/06/2007			6. Individual or Joint/Group Filing (Check applicable line) <input checked="" type="checkbox"/> Form Filed by One Reporting Person ____ Form Filed by More than One Reporting Person		
C/O SILICON GRAPHICS, INC., 1140 EAST ARQUES AVENUE			4. If Amendment, Date Original Filed(Month/Day/Year)					
(Street) SUNNYVALE, CA 94085								
(City)	(State)	(Zip)						

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially 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. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock (Restricted Stock Units) ⁽¹⁾	12/06/2007		A		3,750 ⁽²⁾	A	\$ 0	3,750	D	

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 Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Stock Option (Right to Buy)	\$17.99 ⁽³⁾	12/06/2007		A		9,375		12/06/2008 ⁽⁴⁾	12/05/2014	Common Stock Par Value \$0.01 Per Share	9,375	\$ 0	9,375	D	

Explanation of Responses:

1. This represents an award of restricted stock units. Each unit will entitle the Reporting Person to one share of the Issuer's Common Stock upon vesting.

2. 25% of the restricted stock units vest on the first anniversary of the grant date with an additional 6.25% vesting following the completion of each three-month period thereafter until fully vested in 48 months after the date of grant.
3. Fair Market Value equals the average of the high and low prices of the Common Stock on the date of grant.
4. 25% of the options vest on the first anniversary of the grant date with an additional 6.25% vesting following the completion of each three-month period thereafter until fully vested in 48 months after the date of grant.

Signatures

/s/ Kathy A. Lanterman

** Signature of Reporting Person

12/10/2007

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.