INSTEEL INDUSTRIES INC

Form 4

February 16, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

3235-0287 Number:

OMB APPROVAL

January 31, Expires: 2005

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5 Relationship of Reporting Person(s) to

response... 0.5

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

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 *

JOHNSON FRANCES H			Symbol	•						S. Relationship of Reporting Person(s) to Issuer			
			INSTE	INSTEEL INDUSTRIES INC [IIIN]						(Check all applicable)			
(Last)	(First)	(Middle)	3. Date of	f Earlie	st Tr	ransaction							
1272 DOCCE DDIVE				(Month/Day/Year)					_X_ Director 10% Owner Officer (give title Other (specify				
1373 BOGGS DRIVE			02/15/2	02/15/2006						below) below)			
(Street)			4. If Am	4. If Amendment, Date Original					6. Individual or Joint/Group Filing(Check				
F				Filed(Month/Day/Year)					Applicable Line) _X_ Form filed by One Reporting Person				
MOUNT AIRY, NC 27030									Form filed by More than One Reporting Person				
(City)	(State) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned												
1.Title of Security (Instr. 3)	urity (Month/Day/Year) Execution D		ion Date, if	Code	ransactionAcquired (A) or		5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership (Instr. 4)				
				Code	V	Amount	(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)	(Instr. 4)			
Common Stock	02/15/2006			A	V	1,764	A	\$ 0	59,652	D			
Common Stock	02/15/2006			A	V	1,764	D	\$ 0	0	I	Restricted		
Common Stock									618,263	I	by Corporation		
Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.													
Persons who respond to the collection of SEC 1474										SEC 1474			

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(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	2.	3. Transaction Date		4.	5.	6. Date Exer		7. Title		8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orNumber	Expiration D	ate	Amou	nt of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	Secur
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securi	ties	(Instr. 5)	Bene
	Derivative				Securities			(Instr.	3 and 4)		Own
	Security				Acquired						Follo
					(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						
					4, and 5)						
									Amount		
						Date	Expiration		or		
						Exercisable	Date	Title Numbe	Number		
						Excicisable Date		of			
				Code V	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships							
• 0	Director	10% Owner	Officer	Other				
JOHNSON FRANCES H								
1373 BOGGS DRIVE	X							
MOUNT AIRY, NC 27030								

Signatures

By: Gary D. Kniskern For: Frances H. 02/16/2006 Johnson

> **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).

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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