

HALLWOOD GROUP INC
Form 4
May 04, 2005

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
TALBOT J THOMAS

(Last) (First) (Middle)

500 NEWPORT CENTER DRIVE, SUITE 900

(Street)

NEWPORT BEACH, CA 92660

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

HALLWOOD GROUP INC [HWG]

3. Date of Earliest Transaction (Month/Day/Year)

05/04/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 Ownership (Instr. 4)
			Code	V Amount or Price			
Common Stock	05/04/2005		M	7,500 (1)	A \$ 17.37 7,500 (1)	D	
Common Stock	05/04/2005		M	3,750 (1)	A \$ 15 11,250 (1)	D	
Common Stock	05/04/2005		M	3,750 (1)	A \$ 7.67 15,000 (1)	D	

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

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number.

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 (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Option (right to buy)	\$ 17.37	05/04/2005		M	7,500 (2)	09/04/1997 09/03/2007	Common Stock	7,500 (2)
Option (right to buy)	\$ 15	05/04/2005		M	3,750 (3)	02/24/1997 02/23/2007	Common Stock	3,750 (3)
Option (right to buy)	\$ 7.67	05/04/2005		M	3,750 (4)	06/27/1995 06/26/2005	Common Stock	3,750 (4)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TALBOT J THOMAS 500 NEWPORT CENTER DRIVE SUITE 900 NEWPORT BEACH, CA 92660	X			

Signatures

/s/ J. Thomas
Talbot

05/04/2005

**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) On November 5, 1999, the common stock of The Hallwood Group Incorporated split 3-for-2, resulting in the reporting person's acquisition of 5,000 additional shares of common stock.

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- (2) This option was previously reported as covering 5,000 shares at an exercise price of \$26.06 per share, but was adjusted to reflect the stock split on November 5, 1999.
- (3) This option was previously reported as covering 2,500 shares at an exercise price of \$22.50 per share, but was adjusted to reflect the stock split on November 5, 1999.
- (4) This option was previously reported as covering 2,500 shares at an exercise price of \$11.50 per share, but was adjusted to reflect the stock split on November 5, 1999.
- (5) N/A

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

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