

STOWELL RONALD S
 Form 4
 February 23, 2006

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 *
STOWELL RONALD S

 (Last) (First) (Middle)
C/O LSI INDUSTRIES INC, 10000 ALLIANCE ROAD

 (Street)
CINCINNATI, OH 45242

 (City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
LSI INDUSTRIES INC [LYTS]

 3. Date of Earliest Transaction (Month/Day/Year)
02/22/2006

 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)
 VP, CFO and Treasurer

 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)
				(A) or (D)	Price		
Common Shares						D	
Common Shares ⁽¹⁾	02/22/2006		A	25	A \$ 15.41	D	

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

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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 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 Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Option to Buy (3)	\$ 8.23					07/03/2001 ⁽⁴⁾ 07/03/2010	Common Shares	18,750
Option to Buy (3)	\$ 11.68					11/14/2001 ⁽⁵⁾ 11/14/2011	Common Shares	18,750
Option to Buy (3)	\$ 9.96					10/27/2005 ⁽²⁾ 10/27/2014	Common Shares	25,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STOWELL RONALD S C/O LSI INDUSTRIES INC 10000 ALLIANCE ROAD CINCINNATI, OH 45242			VP, CFO and Treasurer	

Signatures

Ronald S. Stowell 02/23/2006

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) Common Shares held in the LSI Industries Inc. Non-Qualified Deferred Compensation Plan.
- (2) Options granted vest on the anniversary of the grant date, 9.2% in 2005, 40% in 2006, 40% in 2007 and 10.8% in 2008.
- (3) Options granted pursuant to the Company's Incentive Stock Option Plans. Option grants have been previously reported.

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- (4) Options are exercisable at a rate of 25% per year beginning on the 2nd grant date anniversary, cumulative to the extent not exercised in a prior year.
- (5) Options are exercisable at a rate of 10% beginning on the 1st grant date anniversary, 28% on the 2nd anniversary date, 27% on the 3rd anniversary date, and 35% on the 4th anniversary date, cumulative to the extent not exercised in a prior year.

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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