INSTEEL INDUSTRIES INC

Reported by

JAFROODI SCOT R

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 02/11/09 for the Period Ending 02/10/09

Address	1373 BOGGS DR MOUNT AIRY, NC 27030
Telephone	9107862141
CIK	0000764401
Symbol	IIIN
SIC Code	3310 - Steel Works, Blast Furnaces, And Rolling And
Industry	Constr. - Supplies & Fixtures
Sector	Capital Goods
Fiscal Year	09/30

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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
OMB Number: 3235-0287
Expires: February 28, 2011
Estimated average burden hours per response... 0.5

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(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
Jafroodi Scot R	**INSTEEL INDUSTRIES INC [IIIN]**	_____ Director _____ 10% Owner
(Last) (First) (Middle)	3. Date of Earliest Transaction (MM/DD/YYYY)	_____ Officer (give title below) __ **X** __ Other (specify below)
5532 GARDEN PARK LANE	**2/10/2009**	**Chief Accounting Officer**
(Street)	4. If Amendment, Date Original Filed (MM/DD/YYYY)	6. Individual or Joint/Group Filing (Check Applicable Line)
WINSTON-SALEM, NC 27106		_ **X** _ Form filed by One Reporting Person
(City) (State) (Zip)		___ 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. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. 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 (1)	**2/10/2009**		**A**		**3642**	**A**	**$0**	**3642**	**D**	
Common Stock								**9650.7239**	**I**	**Restricted**

Table II - Derivative Securities Beneficially Owned (*e.g.* , puts, calls, warrants, options, convertible securities)

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. 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		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	Amount or Number of Shares				
Incentive Stock Option (right to buy)	**$7.55**	**2/10/2009**		**A**	**V**	**5978**		(2)	**2/10/2019**	**Common Stock**	**5978**	**$0**	**5978**	**D**	
Incentive Stock Option (right to buy)	**$11.15**							(2)	**2/19/2018**	**Common Stock**	**5278**		**5278**	**D**	
Incentive Stock Option (right to buy)	**$16.69**							(2)	**8/19/2018**	**Common Stock**	**2926**		**2926**	**D**	
Incentive Stock Option (right to buy)	**$17.11**							(2)	**2/13/2017**	**Common Stock**	**2639**		**2639**	**D**	
Incentive Stock Option (right to buy)	**$20.27**							(2)	**8/13/2017**	**Common Stock**	**2178**		**2178**	**D**	

Explanation of Responses:

(1) Restricted Stock Units

(2) options vest 1/3 annually beginning 1 year from grant date

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Jafroodi Scot R **5532 GARDEN PARK LANE** **WINSTON-SALEM, NC 27106**				**Chief Accounting Officer**

Signatures

By: James F. Petelle For: Scot R. Jafroodi **2/11/2009**

** Signature of Reporting Person 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.

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