

LYDALL INC /DE/  
Form 4  
May 16, 2007

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

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

**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 \*  
INGRAM DRURY E

2. Issuer Name and Ticker or Trading Symbol  
LYDALL INC /DE/ [LDL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
C/O LYDALL, INC., ONE  
COLONIAL ROAD, P.O. BOX 151

3. Date of Earliest Transaction  
(Month/Day/Year)  
05/14/2007

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

Director of Internal Audit

(Street)  
MANCHESTER, CT 06045-0151

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

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock 401(k)	05/15/2007		S		1,095.9	D	\$ 14.104 0
Common Stock ESPP	05/14/2007		S		814.7	D	\$ 14.7 0
Common Stock	05/14/2007		M		300	A	\$ 11.1875 300
Common Stock	05/14/2007		M		750	A	\$ 9.875 1,050
	05/14/2007		M		1,000	A	\$ 9.85 2,050

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Common Stock							
Common Stock	05/14/2007		M	2,000	A	\$ 11.46	4,050 D
Common Stock	05/14/2007		M	2,500	A	\$ 11.08	6,550 D
Common Stock	05/14/2007		M	750	A	\$ 7.65	7,300 D
Common Stock	05/14/2007		S	7,300	D	\$ 14.6557	0 D

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

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SEC 1474  
(9-02)

**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. Price of Derivative Security (Instr. 3)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title	Amount or Number of Shares
Option to Buy	\$ 11.1875	05/14/2007		M	300	(2) (4)	Common Stock	300 \$ 0
Option to Buy	\$ 9.875	05/14/2007		M	750	(2) (4)	Common Stock	750 \$ 0
Option to Buy	\$ 9.85	05/14/2007		M	1,000	(2) (4)	Common Stock	1,000 \$ 0
Option to Buy	\$ 11.46	05/14/2007		M	2,000	(1) (3)	Common Stock	2,000 \$ 0
Option to Buy	\$ 11.08	05/14/2007		M	2,500	(1) (3)	Common Stock	2,500 \$ 0
Option to Buy	\$ 7.65	05/14/2007		M	750	(1) (3)	Common Stock	750 \$ 0

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
INGRAM DRURY E C/O LYDALL, INC. ONE COLONIAL ROAD, P.O. BOX 151 MANCHESTER, CT 06045-0151			Director of Internal Audit	

## Signatures

David A. Jacoboski, Attorney-in-fact for Drury E.

Ingram

05/16/2007

\_\_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) Employee Stock Option granted under the Lydall 2003 Stock Incentive Compensation Plan. Option becomes exercisable in four equal annual installments beginning one year from initial grant date.
- (2) Employee Stock Option granted under the Lydall 1992 Stock Incentive Compensation Plan. Option becomes exercisable in four equal annual installments beginning one year from initial grant date.
- (3) Employee Stock Options granted under the Lydall 2003 Stock Incentive Compensation Plan expire 10 years subsequent to initial grant date.
- (4) Employee Stock Options granted under the Lydall 1992 Stock Incentive Compensation Plan expire 10 years subsequent to initial grant date.

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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