

ARMSTRONG WORLD INDUSTRIES INC
 Form 4
 March 13, 2008

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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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 *
 LOCKHART MICHAEL D

2. Issuer Name and Ticker or Trading Symbol
 ARMSTRONG WORLD INDUSTRIES INC [AWI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 03/11/2008

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman of Bd, President & CEO

C/O ARMSTRONG WORLD INDUSTRIES, INC., PO BOX 3001

(Street)

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

LANCASTER, PA 17604

(City) (State) (Zip)

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 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)	Code	V	Amount	(D)	Price

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	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 39.88	03/11/2008	J ⁽¹⁾	V		0	⁽³⁾	02/19/2017	Common Stock	0
Stock Option (right to buy)	\$ 29.37	03/11/2008	J ⁽¹⁾	V		11,565 ⁽²⁾	⁽⁴⁾	10/02/2016	Common Stock	11,565 ⁽²⁾
Stock Option (right to buy)	\$ 28.45	03/11/2008	J ⁽¹⁾	V		21,534 ⁽²⁾	⁽⁵⁾	02/25/2018	Common Stock	21,534 ⁽²⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LOCKHART MICHAEL D C/O ARMSTRONG WORLD INDUSTRIES, INC. PO BOX 3001 LANCASTER, PA 17604	X		Chairman of Bd, President & CEO	

Signatures

/s/ Michele M. Nicholas, by Power of Attorney 03/12/2008

⁽²⁾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) The disclosure on this Form 4 reflects an anti-dilution adjustment to the exercise price, made on March 11, 2008, to previously granted stock option awards under the issuer's Long-Term Incentive Plan in connection with the special dividend of \$4.50 per share of Common Stock payable on March 31, 2008, to shareholders of record as of March 11, 2008. The initial exercise prices were \$52.38 (for the February 19, 2007 award); \$38.42 (for the October 2, 2006 award) and \$34.00 (for the February 25, 2008 award).

(2) The reporting person acquired a number of additional stock options resulting from the adjustment to each of the previously granted stock options.

(3)

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23,360 stock options are vested and exercisable. The remainder of the stock options will vest and become exercisable as follows: 21,090 shares on February 19, 2009 and 19,650 shares on February 19, 2010.

- (4) The stock options will vest and become exercisable in three installments as follows: 78,855 shares on October 2, 2008; 78,855 shares on October 2, 2009 and 78,855 shares on October 2, 2010 (contingent upon the officer's employment on the scheduled vesting date).
- (5) The stock options will vest and become exercisable in three installments as follows: 47,189 shares on February 25, 2009; 43,902 shares on February 25, 2010 and 43,813 shares on February 25, 2011 (contingent upon the officer's employment on the scheduled vesting 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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