

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 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person LINES JAMES R			2. Issuer Name and Ticker or Trading Symbol GRAHAM CORP [GHM]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) President and CEO		
(Last) (First) (Middle) C/O GRAHAM CORPORATION, 20 FLORENCE AVENUE			3. Date of Earliest Transaction (Month/Day/Year) 08/05/2008					
(Street) BATAVIA, NY 14020			4. If Amendment, Date Original Filed(Month/Day/Year)			6. Individual or Joint/Group Filing(Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person		
(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 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	08/05/2008		M		1,875	A	\$ 15.952	7,077	D	
Common Stock	08/05/2008		S		1,875	D	\$ 92.5923	5,202	D	
Common Stock	08/05/2008		M		937	A	\$ 13.68	6,139	D	
Common Stock	08/05/2008		S		937	D	\$ 92.5923	5,202	D	
Common Stock	08/05/2008		M		1,649	A	\$ 13.8	6,851	D	
Common Stock	08/05/2008		S		1,649	D	\$ 92.5923	5,202	D	
Common Stock								2,785 (1)	I	See footnote (1)

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. 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		Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Option (Right to Buy)	\$ 15.952	08/05/2008		M		1,875	(2)	06/01/2016	Common Stock	1,875 (2)	\$ 0	3,750 (2)	D	
Stock Option (Right to Buy)	\$ 13.68	08/05/2008		M		937	(3)	07/27/2016	Common Stock	937 (3)	\$ 0	1,875 (3)	D	

Stock Option (Right to Buy)	\$ 13.8	08/05/2008		M		1,649	(4)	05/31/2017	Common Stock	1,649 (4)	\$ 0	4,947 (4)	D	
Stock Option (Right to Buy)	\$ 61.75						(5)	05/29/2018	Common Stock	1,266 (5)		1,266 (5)	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LINES JAMES R C/O GRAHAM CORPORATION 20 FLORENCE AVENUE BATAVIA, NY 14020	X		President and CEO	

Signatures

/s/ Carole M. Anderson, Attorney-in-fact for James R. Lines		08/07/2008
<small>Signature of Reporting Person</small>		<small>Date</small>

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) Shares held by the trustee of the Graham Corporation Employee Stock Ownership Plan and allocated to Mr. Lines's account, as to which Mr. Lines has sole voting power but no dispositive power, except in limited circumstances.
- (2) This option was previously reported by Mr. Lines and is exercisable pro rata on the first, second, third and fourth anniversaries of the 6/01/06 grant date.
- (3) This option was previously reported by Mr. Lines and is exercisable pro rata on the first, second, third and fourth anniversaries of the 7/27/06 grant date.
- (4) This option was previously reported by Mr. Lines and is exercisable pro rata on the first, second, third and fourth anniversaries of the 5/31/07 grant date.
- (5) This option was previously reported by Mr. Lines and is exercisable pro rata on the first, second, third and fourth anniversaries of the 5/29/08 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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