

SAFEGUARD SCIENTIFICS INC  
 Form 4  
 August 18, 2005

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
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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 \*  
**BONI PETER J**

2. Issuer Name and Ticker or Trading Symbol  
**SAFEGUARD SCIENTIFICS INC [SFE]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**800 THE SAFEGUARD BUILDING, 435 DEVON PARK DRIVE**

3. Date of Earliest Transaction (Month/Day/Year)  
**08/16/2005**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**President & CEO**

(Street)  
**WAYNE, PA 19087-1945**

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

(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 Ownership (Instr. 4)
			Code	V	Amount or Price (A) or (D)		
Common Stock	08/16/2005		P		1,900	A	\$ 1.26 1,900 D
Common Stock	08/16/2005		P		22,300	A	\$ 1.28 24,200 D
Common Stock	08/16/2005		P		81,400	A	\$ 1.27 105,600 D
Common Stock	08/16/2005		P		14,200	A	\$ 1.29 119,800 D
	08/16/2005		P		45,600	A	\$ 1.3 165,400 D

Common  
Stock

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		6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
					Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			Title	Amount Number Shares	
Stock Option (right to buy)	\$ 1.275	08/16/2005		A		1,000,000	(1)	08/16/2013	Common Stock	1,000,000
Stock Option (right to buy)	\$ 1.275	08/16/2005		A		3,000,000	(2)	08/16/2013	Common Stock	3,000,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BONI PETER J 800 THE SAFEGUARD BUILDING 435 DEVON PARK DRIVE WAYNE, PA 19087-1945	X		President & CEO	

## Signatures

Peter J. Boni 08/17/2005

\*\*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) Option vesting: 25% on the first anniversary of the grant date and in equal monthly installments during the three-year period thereafter.

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- Options feature market performance-based vesting so that they only become exercisable upon sustained improvement in the trading price of the Issuer's common stock in the following increments: 10% of the options at \$2.0359 per share; an additional 20% at \$3.1548 per share; an additional 30% at \$4.6466 per share; and the remaining 40% at \$6.5114 per share (based on the average daily closing price of the Issuer's common stock on the NYSE for any 20 consecutive trading days preceding a vesting date), with pro rata vesting based on sustained improvement in the trading price of the Issuer's common stock between the stock price thresholds set forth above.
- (2)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.