

HILTON HOTELS CORP
 Form 4
 May 08, 2006

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 *
KELTNER THOMAS L

(Last) (First) (Middle)

HILTON HOTELS CORPORATION, 9336 CIVIC CENTER DRIVE

(Street)

BEVERLY HILLS, CA 90210

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
HILTON HOTELS CORP [HLT]

3. Date of Earliest Transaction (Month/Day/Year)
05/04/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Executive Vice President

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 or Price		
Common Stock	05/04/2006		M		18,750 A \$ 9.2188	310,968 ⁽¹⁾	D
Common Stock	05/04/2006		M		75,000 A \$ 11.85	385,968 ⁽¹⁾	D
Common Stock	05/04/2006		M		72,825 A \$ 11.87	458,793 ⁽¹⁾	D
Common Stock	05/04/2006		S		174,982 D \$ 27.437	283,811 ⁽¹⁾	D

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

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(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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options Employee Right to Purchase	\$ 9.2188	05/04/2006		M	18,750	01/12/2004	01/12/2010	Common Stock	18,750
Stock Options Employee Right to Purchase	\$ 11.85	05/04/2006		M	75,000	01/31/2006	01/31/2012	Common Stock	75,000
Stock Options Employee Right to Purchase	\$ 11.87	05/04/2006		M	72,825	01/29/2006	01/29/2013	Common Stock	72,825

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

KELTNER THOMAS L
HILTON HOTELS CORPORATION
9336 CIVIC CENTER DRIVE
BEVERLY HILLS, CA 90210

Executive Vice President

Signatures

Thomas L. Keltner, By Bryan S. White,
Attorney-In-Fact

05/08/2006

__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).

Includes stock units attributable to participant's accounts under the Corporation's 2004 Omnibus Equity Compensation Plan and

(1) Supplemental Retirement and Retention Plan, which settle for common stock on a one-for-one basis, and investment units owned by participant in the Corporation's 401(k) Savings Plan.

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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