| FORM | 4 |
|------|---|
|------|---|

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

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

OMB APPROVAL OMB Number: 3235-0287 Estimated average burden hours per response... 0.5

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

| 1. Name and Address of CARLSON ALLEN | 2. Issuer Name and Ticker or Trading Symbol SUN HYDRAULICS CORP [SNHY] | | | | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director 10% Owner | | | | | | |
|---|---|------------------------|--------------------|------------|------|------------------------|---|-------------|--|--|-------------------------|--|--|
| 1500 WEST UNIV | 3. Date of Earliest Transaction (Month/Day/Year) 12/09/2005 | | | | | | XOfficer (give title below) Other (specify below) President, CEO | | | | | | |
| SARASOTA, FL 3 | 4. If Amendment, Date Original Filed(Month/Day/Year) | | | | | | 6. Individual or Joint/Group Filing(Check Applicable Line) _X_Form filed by One Reporting Person Form filed by More than One Reporting Person | | | | | | |
| (City) | (State) | State) (Zip) Table I - | | | | | on-Derivative Securities Acquired, Disposed of, or Beneficially Owned | | | | | | |
| 1.Title of Security (Instr. 3) | | (Month/Day/Year) | Execution Date, if | (Instr. 8) | tion | (A) or Disposed of (D) | | of (D) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | Beneficial Ownership | | |
| Common Stock | | 12/09/2005 | | А | | 4,890 | А | \$ 18.41 | 32,481 (<u>1</u>) | D | | | |
| Common Stock | | | | | | | | | 1,825.50 | I (2) | BY ESOP TRUST | | |

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

Persons who respond to the collection of information SEC 1474 (9-02) contained in this form are not required to respond unless the form displays a currently valid OMB control number.

 Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

| | (<i>e.g.</i> , puts, calls, warrants, options, convertible securities) | | | | | | | | | | | | | | |
|-------------|---|------------------|--------------------|------------|-----|-----------------------------------|-----------|--------------|----------------------|---------------------|----------------|--------------|------------|------------|-------------|
| 1. Title of | 2. | 3. Transaction | 3A. Deemed | 4. | | 5. Number 6. Date Exercisable and | | rcisable and | 7. Title and | | 8. Price of | 9. Number of | 10. | 11. Nature | |
| Derivative | Conversion | Date | Execution Date, if | Transact | ion | n of Expira | | Expiration I | Expiration Date | | Amount of | | Derivative | Ownership | of Indirect |
| Security | or Exercise | (Month/Day/Year) | any | Code | | Deriva | tive | (Month/Day | /Year) | Underlying Security | | Security | Securities | Form of | Beneficial |
| (Instr. 3) | Price of | | (Month/Day/Year) | (Instr. 8) |) | Securit | | | Securities (Instr. : | | (Instr. 5) | Beneficially | Derivative | Ownership | |
| | Derivative | | | | | Acquir | cquired (| | (Instr. 3 and 4) | | | Owned | Security: | (Instr. 4) | |
| | Security | | | | | (A) or | | | | | | 0 | Direct (D) | | |
| | | | | | | Dispos | ed | | | | 1 | or Indirect | | | |
| | | | | | | of (D) | | | | | Transaction(s) | | | | |
| | | | | | | (Instr. 1 and 5) | 5, 4, | | | (Instr. 4) | (Instr. 4) | | | | |
| | | | | | | and 5) | - | | | - | | | | | |
| | | | | | | | | | | | Amount | | | | |
| | | | | | | | | Date | Expiration | | or | | | | |
| | | | | | | | | Exercisable | Date | | Number of | | | | |
| | | | | Code | v | (A) | (D) | | | | Shares | | | | |
| | | | | Couc | v | (A) | (D) | | | | Shares | | | | |
| Employee | | | | | | | | | | | | | | | |
| Stock | | | | | | | | | | common | | | | | |
| Option | \$ 18.41 | 12/09/2005 | | Α | | 4,498 | | <u>(3)</u> | 12/09/2012 | | 4,498 | \$ 0 | 4,498 | D | |
| (right to | | | | | | | | | | stock | | | | | |
| buy) | | | | | | | | | | | | | | | |

Reporting Owners

| Dementing Operation Name (Address | Relationships | | | | | | |
|---|---------------|-----------|----------------|-------|--|--|--|
| Reporting Owner Name / Address | Director | 10% Owner | Officer | Other | | | |
| CARLSON ALLEN J 1500 WEST UNIVERSITY PARKWAY SARASOTA, FL 34243 | Х | | President, CEO | | | | |

Signatures

| Gregory C. Yadley, as Attorney-in-Fact for ALLEN J. CARLSON | 12/13/2005 |
|---|------------|
| 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).

Includes 1,804 shares purchased through the Sun Hydraulics Corporation Employee Stock Purchase Plan (1,197 shares during the first two quarters of 2005, 599 shares issued on (1) the shares held in the Employee Stock Purchase Plan as a result of one-for-two stock dividend declared in June 2005, payable on July 15, 2005, to shareholders of record on June 30, 2005, and an additional purchase of 8 shares during the quarter ended September 30, 2005).

(2) Reflects allocations of shares under the Sun Hydraulics Corporation Employee Stock Ownership Plan.

(3) Options exercisable as follows: 899 shares on 12/09/06; an additional 899 shares on 12/09/07; an additional 900 shares on 12/09/08; an additional 900 shares on 12/09/09; and an additional 900 shares on 12/09/10.

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.