SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(x) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarter ended: September 30, 1999

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________

Commission file number: 0-16214

ALBANY INTERNATIONAL CORP.
(Exact name of registrant as specified in its charter)

Delaware	14-0462060
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
1373 Broadway, Albany, New York	12204
(Address of principal executive offices)	(Zip Code)
Registrant's telephone number, including area code	518-445-2200

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports,) and (2) has been subject to such filing requirements for the past 90 days. Yes X No

The registrant had 24,058,924 shares of Class A Common Stock and 5,754,376 shares of Class B Common Stock outstanding as of September 30, 1999.

ALBANY INTERNATIONAL CORP.

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Item 1. Financial Statements

ALBANY INTERNATIONAL CORP.
CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS
(unaudited)

(in thousands except per share data)

Three Months Ended September 30, 1999	Three Months Ended September 30, 1998		Nine Months Ended September 30, 1999	Nine Months Ended September 30, 1998
$196,566	$176,346	Net sales	$553,960	$532,130
118,197	103,016	Cost of goods sold	326,849	306,024
78,369	73,330	Gross profit	227,111	226,106
54,474	52,573	Selling, technical and general expenses	161,030	158,596
23,895	20,757	Operating income	66,081	67,510
6,489	4,973	Interest expense, net	15,227	14,267
(555)	(2,315)	Other income, net	(231)	(77)
17,961	18,099	Income before income taxes	51,085	53,320
7,507	7,056	Income taxes	20,426	20,792
10,454	11,043	Income before associated companies	30,659	32,528
213	24	Equity in earnings of associated companies	513	189
10,667	11,067	Net income	31,172	32,717
276,091	260,034	Retained earnings, beginning of period	255,586	246,013
-	3,067	Less dividends	-	10,696
$286,758	$268,034	Retained earnings, end of period	$286,758	$268,034
$0.36	$0.37	Net income per share	$1.05	$1.07
$0.36	$0.36	Diluted net income per share	$1.04	$1.06
-	-	Cash dividends per common share	-	$0.105
29,776,046	30,378,244	Weighted average number of shares	29,715,743	30,756,166

The accompanying notes are an integral part of the financial statements.

ALBANY INTERNATIONAL CORP.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	(unaudited) September 30, 1999	December 31, 1998
ASSETS		
Cash and cash equivalents	$24,983	$5,868
Accounts receivable, net	227,419	184,748
Inventories:		
Finished goods	133,285	115,740
Work in process	63,396	43,523
Raw material and supplies	45,690	37,646
	242,371	196,909
Deferred taxes and prepaid expenses	26,418	22,188
Total current assets	521,191	409,713
Property, plant and equipment, net	377,409	325,109
Investments in associated companies	4,389	4,054
Intangibles	233,223	60,800
Deferred taxes	31,304	27,193
Other assets	51,916	39,497
Total assets	$1,219,432	$866,366
LIABILITIES AND SHAREHOLDERS' EQUITY		
Notes and loans payable	$28,850	$112,828
Accounts payable	37,776	25,838
Accrued liabilities	82,778	66,791
Current maturities of long-term debt	4,455	5,178
Income taxes payable and deferred	4,688	9,403
Total current liabilities	158,547	220,038
Long-term debt	554,219	181,137
Other noncurrent liabilities	135,616	113,282
Deferred taxes and other credits	42,062	37,059
Total liabilities	890,444	551,516
SHAREHOLDERS' EQUITY		
Preferred stock, par value $5.00 per share; authorized 2,000,000 shares; none issued	-	-
Class A Common Stock, par value $.001 per share; authorized 100,000,000 shares; issued 26,264,916 in 1999 and 26,082,438 in 1998	26	26
Class B Common Stock, par value $.001 per share; authorized 25,000,000 shares; issued and outstanding 5,754,376 in 1999 and 5,785,282 in 1998	6	6
Additional paid in capital	209,344	206,428
Retained earnings	286,758	255,586
Accumulated items of other comprehensive income:		
Translation adjustments	(104,435)	(83,736)
Pension liability adjustment	(16,868)	(16,868)
	374,831	361,442
Less treasury stock (Class A), at cost (2,205,992 shares in 1999;2,240,050 shares in 1998)	45,843	46,592
Total shareholders' equity	328,988	314,850
Total liabilities and shareholders' equity	$1,219,432	$866,366

The accompanying notes are an integral part of the financial statements.

ALBANY INTERNATIONAL CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(in thousands)

	Nine Months Ended September 30, 1999	1998
OPERATING ACTIVITIES		
Net income	$31,172	$32,717
Adjustments to reconcile net cash provided by operating activities:		
Equity in earnings of associated companies	(513)	(189)
Depreciation and amortization	38,662	35,026
Provision for deferred income taxes, other credits and long-term liabilities	6,335	2,587
Increase in cash surrender value of life insurance, net of premiums paid	(869)	(466)
Unrealized currency transaction gains	(3,206)	(2,988)
Loss on disposition of assets	31	63
Shares contributed to ESOP	3,489	3,214
Debt issuance costs	(4,905)	-
Changes in operating assets and liabilities:		
Accounts receivable	4,810	1,365
Inventories	6,573	(16,287)
Prepaid expenses	(3,121)	(1,918)
Accounts payable	(5,402)	(2,647)
Accrued liabilities	(1,203)	2,841
Income taxes payable	(4,792)	640
Other, net	(314)	778
Net cash provided by operating activities	66,747	54,736
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(23,255)	(28,490)
Purchased software	(1,369)	(1,310)
Proceeds from sale of assets	60	77
Premiums paid for life insurance	(1,187)	(1,187)
Acquisitions, net of cash acquired	(241,591)	(24,135)
Loan to other company	(3,000)	-
Distributions from associated companies	75	-
Investment in associated companies	-	(2,025)
Net cash used in investing activities	(270,267)	(57,070)
FINANCING ACTIVITIES		
Proceeds from borrowings	573,306	131,068
Principal payments on debt	(336,828)	(74,101)
Proceeds from options exercised	165	2,105
Tax benefit of options exercised	11	281
Purchases of treasury shares	-	(45,227)
Dividends paid	-	(6,387)
Net cash provided by financing activities	236,654	7,739
Effect of exchange rate changes on cash flows	(14,019)	(3,512)
Increase in cash and cash equivalents	19,115	1,893
Cash and cash equivalents at beginning of year	5,868	2,546
Cash and cash equivalents at end of period	$24,983	$4,439

The accompanying notes are an integral part of the financial statements.

1. Management Opinion

In the opinion of management the accompanying unaudited consolidated financial statements contain all adjustments, consisting of only normal, recurring adjustments, necessary for a fair presentation of results for such periods. The results for any interim period are not necessarily indicative of results for the full year. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted. These consolidated financial statements should be read in conjunction with financial statements and notes thereto for the year ended December 31, 1998.

2. Accounting for Derivatives

Gains or losses on forward exchange contracts that function as an economic hedge against currency fluctuation effects on future revenue streams are recorded in "Other income, net".

Gains or losses on forward exchange contracts that are designated a hedge of a foreign operation's net assets and/or long-term intercompany loans are recorded in "Translation adjustments", a separate component of shareholders' equity. These contracts reduce the risk of currency exposure on foreign currency net assets and do not exceed the foreign currency amount being hedged. To the extent the above criteria are not met, or the related assets are sold, extinguished, or terminated, activity associated with such hedges is recorded in "Other income, net".

All open positions on forward exchange contracts are valued at fair value using the estimated forward rate of a matching contract.

Gains or losses on futures contracts have been recorded in "Other income, net". Open positions have been valued at fair value using quoted market rates.

In June 1998, Financial Accounting Standard No. 133, "Accounting for Derivative Instruments and Hedging Activities", was issued. This Standard establishes a new model for accounting for derivatives and hedging activities. All derivatives will be required to be recognized as either assets or liabilities and measured at fair value. Each hedging relationship must be designated and accounted for pursuant to this Standard. Since the Company already records forward exchange and futures contracts at fair value, this Standard is not expected to have a material effect on the accounting for these transactions. The Company plans to adopt this Standard on its effective date of January 1, 2001.

3. Other Income, Net

Included in other income, net for the nine months ended September 30 are: currency transactions, $3.2 million income in 1999 and $4.0 million income in 1998; amortization of debt issuance costs and loan origination fees, $0.9 million in 1999 and $0.5 million in 1998 and other miscellaneous items, none of which are significant, in 1999 and 1998.

Included in other income, net for the three months ended September 30 are: currency transactions, $1.2 million income in 1999 and $3.3 million income in 1998; amortization of debt issuance costs and loan organization fees, $0.4 million in 1999 and $0.2 million in 1998 and other miscellaneous items, none of which are significant, in 1999 and 1998.

4. Earnings Per Share

In accordance with Financial Accounting Standard No. 128, "Earnings Per Share", net income per share is computed using the weighted average number of shares of Class A and Class B Common Stock outstanding during the period. Diluted net income per share includes the effect of all potentially dilutive securities.

The amounts used in computing earnings per share, including the effect on income and the weighted average number of shares of potentially dilutive securities, are as follows:

(in thousands)	Nine Months Ended September 30, 1999	Nine Months Ended September 30, 1998	Three Months Ended September 30, 1999	Three Months Ended September 30, 1998
Income available to common stockholders:				
Income available to common stockholders	$31,172	$32,717	$10,667	$11,067
Weighted average number of shares:				
Weighted average number of shares used in net income per share	29,716	30,756	29,776	30,378
Effect of dilutive securities:				
Stock options	202	446	75	265
Weighted average number of shares used in diluted net income per share	29,918	31,202	29,851	30,643

Options excluded from the computation of diluted net income per share because the options' exercise price was greater than the average market price of the common shares for the period were as follows:

Nine Months Ended September 30, 1999 Options Outstanding	Nine Months Ended September 30, 1999 Exercise Price Per Share	Three Months Ended September 30, 1999 Options Outstanding	Three Months Ended September 30, 1999 Exercise Price Per Share
-	-	23,500	$17.625
-	-	57,200	18.625
-	-	176,600	18.75
-	-	412,000	19.375
-	-	409,500	19.75
746,200	$22.25	746,200	22.25
250,000	25.5625	250,000	25.5625

5. Comprehensive Income

Total comprehensive income consists of:

(in thousands)	Nine Months Ended September 30, 1999	Nine Months Ended September 30, 1998	Three Months Ended September 30, 1999	Three Months Ended September 30, 1998
Net income	$31,172	$32,717	$10,667	$11,067
Other comprehensive (loss)/income, before tax:				
Foreign currency translation adjustments	(20,699)	(866)	3,296	4,280
Income tax related to items of other comprehensive loss	-	-	-	-
Total comprehensive income	$10,473	$31,851	$13,963	$15,347

6. Operating Segment Data

The following table shows data by operating segment, reconciled to consolidated totals included in the financial statements:

(in thousands)	Nine Months Ended September 30, 1999	Nine Months Ended September 30, 1998	Three Months Ended September 30, 1999	Three Months Ended September 30, 1998
Net Sales				
Engineered Fabrics	$450,217	$433,363	$160,125	$142,423
High Performance Industrial Doors	72,280	71,127	25,506	24,600
All other	31,463	27,640	10,935	9,323
Consolidated Total	$553,960	$532,130	$196,566	$176,346
Operating Income				
Engineered Fabrics	$101,011	$96,955	$37,336	$30,758
High Performance Industrial Doors	3,446	6,585	814	1,955
All other	4,000	4,085	808	1,217
Research expense	(16,710)	(17,392)	(5,534)	(5,681)
Unallocated expenses	(25,666)	(22,723)	(9,529)	(7,492)
Operating income before reconciling items	66,081	67,510	23,895	20,757
Reconciling items:				
Interest expense, net	(15,227)	(14,267)	(6,489)	(4,973)
Other income, net	231	77	555	2,315
Consolidated income before income taxes	$51,085	$53,320	$17,961	$18,099

7. Income Taxes

The Company's effective tax rate for the nine months ended September 30, 1999 and 1998 was 40% and 39% respectively. The effective tax rate for the full year 1999 is anticipated to be 43%.

8. Supplementary Cash Flow Information

Interest paid for the nine months ended September 30, 1999 and 1998 was $15.3 million and $13.8 million, respectively.

Taxes paid for the nine months ended September 30, 1999 and 1998 was $20.7 million and $19.7 million, respectively.

9. Acquisitions

In April 1999, the Company purchased all of the shares of Jansen Tortechnik, a manufacturer of high quality sectional overhead doors located in Surwold, Germany. The purchase price was approximately $7.7 million and was accounted for as a purchase. Accordingly, the results of operations are included in the financial statements since the acquisition date.

In August 1999, the Company completed the purchase of all of the outstanding capital stock of the paper machine clothing business of the Geshmay group for approximately $250 million. Geshmay's principal operations are located in Europe and the United States. The transaction is being accounted for as a purchase. The fair market value of assets and liabilities are being determined by valuations and appraisals that are not yet complete. Therefore, the allocation of the total purchase cost has been estimated at September 30, 1999. The results of operations are included in the financial statements since the acquisition date.

10. Debt

In August 1999, the Company entered into a new $750 million credit agreement with its banks. $250 million of this facility is a term loan with $40 million due in 2001, $60 million in 2002, $70 million in 2003 and $80 million in 2004. The remaining $500 million is a revolving loan with the banks' commitment to lend terminating in 2004. This agreement includes commitment fees and variable interest rates based on various loan pricing methods. The credit agreement contains various covenants which include limits on the disposition of assets and interest coverage and a maximum leverage ratio, as well as mandatory prepayments out of excess cash flow and proceeds from asset sales and debt offerings. Borrowings are secured by a pledge of shares of, and intercompany loans to, certain subsidiaries of the Company.

Item 2. Management's Discussion and Analysis
of Financial Condition and Results of Operations

For the Three and Nine Months Ended September 30, 1999

The following discussion should be read in conjunction with the accompanying Consolidated Financial Statements and Notes thereto.

RESULTS OF OPERATIONS:

Net sales increased to $196.6 million for the three months ended September 30, 1999 as compared to $176.3 million for the three months ended September 30, 1998. The effect of the stronger U.S. dollar as compared to the third quarter of 1998 was to decrease net sales by $1.1 million. Acquisitions made in 1999 (as discussed below) added $19.0 million to third quarter 1999 net sales. Excluding these two factors, 1999 net sales were up 1.3% as compared to 1998.

Net sales for the nine months ended September 30, 1999 increased to $554.0 million as compared to $532.1 million for the same period in 1998. The effect of the stronger U.S. dollar as compared to the first nine months of 1998 was to decrease net sales by $3.9 million. Acquisitions made in 1999 and 1998 added $25.7 million to 1999 net sales. Excluding these two factors, 1999 net sales were flat as compared to 1998.

In the United States, net sales in the third quarter of 1999 increased 2.5% resulting in a year to date decrease of 1.0% as compared to the same period in 1998. Net sales for the nine months ended September 30, 1999, as compared to the same period in 1998, decreased in Canada and were higher in Asia. European sales increased in local currencies and were down 1.6% in U.S. dollars.

Gross profit was 39.9% of net sales for the three months ended September 30, 1999 as compared to 41.6% for the same period in 1998 bringing the nine month result to 41.0% for 1999 as compared to 42.5% for 1998. Year to date variable costs as a percent of net sales increased to 34.2% in 1999 from 33.6% for the same period in 1998. Excluding the effect of the stronger U.S. dollar and acquisitions, variable costs as a percent of net sales were 34.2% in 1999. The decrease in gross profit margin is the result of acquisitions and pricing pressures from major paper machine clothing customers. Improvements in profitability at the paper-manufacturing base should translate to price stability in the paper machine clothing industry.

Selling, technical, general and research expenses, excluding the effect of the stronger U.S. dollar and acquisitions, decreased 1.0% for the nine months ended September 30, 1999 as compared to the same period in 1998.

Operating income as a percentage of net sales decreased to 11.9% for the nine months ended September 30, 1999 from 12.7% for the comparable period in 1998 due to items discussed above. Excluding the effect of the stronger U.S. dollar and acquisitions, operating income as a percentage of net sales was 12.2% in 1999.

Interest expense for the first nine months of 1999, as compared to 1998, increased $1.0 million due to higher total debt as a result of acquisitions, as noted below. Management anticipates interest expense, at current rates, to be approximately $10 million per quarter beginning in the fourth quarter of 1999.

The tax rate for the first nine months of 1999 was 40%. The tax rate for the full year 1999 is expected to be 43% due to the Geschmay acquisition, as noted below. This will result in an unusually high tax rate in the fourth quarter of 1999, which is not expected to continue in future quarters.

The Company is on schedule to achieve slightly more than the expected 1999 cost reduction of $10 million resulting from the global restructuring plan announced in January 1999. In 1999, as part of this plan, the Company announced the closing of plants in Weaverville, North Carolina, Ahlen, Germany and a press fabrics plant in Simpsonville, South Carolina. This plan will result in cumulative annual cost savings of $22 million in 2000 and $25 million in 2001. The acquisition of Geschmay, as discussed below, has created synergistic opportunities that should result in additional cost reductions of $25 million, for a total of $50 million when all restructuring plans are complete. The first steps of this integration plan were announced in October 1999 and included the closing of a dryer fabrics plant in Simpsonville, South Carolina, a reduction of the combined sales force in the United States and the closing of the Geschmay sales offices in Singapore and Canada.

In April 1999, the Company purchased all of the shares of Jansen Tortechnik, a manufacturer of high quality sectional overhead doors located in Surwold, Germany. The purchase price was approximately $7.7 million and was accounted for as a purchase. Accordingly, the results of operations are included in the financial statements since the acquisition date.

In August 1999, the Company completed the purchase of all of the outstanding capital stock of the paper machine clothing business of the Geschmay group for approximately $250 million. Geschmay's principal operations are located in Europe and the United States. The transaction is being accounted for as a purchase. The fair market value of assets and liabilities are being determined by valuations and appraisals that are not yet complete. Therefore, the allocation of the total purchase cost has been estimated at September 30, 1999. The results of operations are included in the financial statements since the acquisition date.

Reasons for the changes in operating results for the three month period ended September 30, 1999 as compared to the corresponding period in 1998 are similar to those which affected the nine month comparisons, except where specifically noted.

LIQUIDITY AND CAPITAL RESOURCES:

Accounts receivable increased $42.7 million since December 31, 1998. Excluding the effect of the stronger U.S. dollar and the Geschmay acquisition, accounts receivable were flat. Inventories increased $45.5 million during the nine months ended September 30, 1999. Excluding the items noted above, inventories decreased $1.4 million.

In order to fund the Geschmay acquisition, in August 1999, the Company entered into a new $750 million credit agreement with its banks. $250 million of this facility is a term loan with $40 million due in 2001, $60 million in 2002, $70 million in 2003 and $80 million in 2004. The remaining $500 million is a revolving loan with the banks' commitment to lend terminating in 2004. $515 million of this facility was used as of September 30, 1999. This agreement includes commitment fees and variable interest rates based on various loan pricing methods. The credit agreement contains various covenants which include limits on the disposition of assets and interest coverage and a maximum leverage ratio, as well as mandatory prepayments out of excess cash flow and proceeds from asset sales and debt offerings. Borrowings are secured by a pledge of shares of, and intercompany loans to, certain subsidiaries of the Company.

Capital expenditures for the nine months ended September 30, 1999, including leases to the extent they are required to be capitalized, were $23.3 million as compared to $28.5 million for the same period last year. The Company anticipates that capital expenditures, including leases, will be approximately $45 million. These expenditures will be financed with cash from operations and existing credit facilities.

In June 1998, Financial Accounting Standard No. 133, "Accounting for Derivative Instruments and Hedging Activities", was issued. This Standard establishes a new model for accounting for derivatives and hedging activities. All derivatives will be required to be recognized as either assets or liabilities and measured at fair value. Each hedging relationship must be designated and accounted for pursuant to this Standard. Since the Company already records forward exchange and futures contracts at fair value, this Standard is not expected to have a material effect on the accounting for these transactions. The Company plans to adopt this Standard on its effective date of January 1, 2001.

YEAR 2000

In 1997, the Company began a program to assess, test and remedy its computer and manufacturing systems to assure that these systems will properly recognize the year 2000 and therefore substantially eliminate the risk of date-related computer shutdowns from internal operations.

The most significant area to assess under this program is the Company's business system, which includes the Company's information system, the hardware and software associated with its network of personal computers and its telecommunications infrastructure. Most of the Company's operations have substantially completed the assessment, testing and remediation phases of this program. Currently, the implementation of a new information system is in progress and has not been accelerated as a result of the year 2000 issue. Each of the Company's operations are at a different level of completion. In some cases, the existing system which is being replaced is not year 2000 compliant. If the implementation of the new system for these operations is not expected to be complete by the year 2000, a contingency plan which includes upgrading the existing software or the temporary use of manual processes will be put in place. Management does not expect any significant internal issues related to year 2000 compliance.

The Company's manufacturing process involves some use of computers and embedded chips in process equipment. Each operation has been assigned a coordinator to oversee the planning, testing and remediation of this equipment. While management does not expect any year 2000 related shutdowns, it believes that any problems that do occur would be isolated. In these cases, production can be moved to other operations within the Company until the problem is corrected. Management expects to remediate any undiscovered year 2000 equipment problems within a matter of days, with no material impact on overall production.

The Company depends on customers and suppliers for its daily operations. Disruptions due to year 2000 problems in their operations could have a significant impact on the Company. The Company is currently monitoring the status of its customers and suppliers to determine risks and contingency plans.

As of September 30, 1999, total external expenditures related to the year 2000 program are approximately $1.0 million and have been funded from cash from operations. Of the $1.0 million, $0.3 million was for consultants, $0.4 million for hardware, $0.2 million for software and $0.1 million for communications equipment. Future expenditures for this program are not expected to be significant.

FORWARD-LOOKING STATEMENTS

This Form 10-Q contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements include statements about such matters as global restructuring, product pricing, interest expense, annual cost savings, future sales, estimated impact of actions upon future earnings, year 2000 expenditures and compliance, industry trends, operating efficiency and profitability. Actual future events and circumstances (including future performance, results and trends) could differ materially from those set forth in such statements due to various factors. One factor is the risk to completing the year 2000 plan, which includes the Company's ability to discover and correct year 2000 problems within its systems and the ability of its customers and suppliers to bring their systems into year 2000 compliance. Other factors include even more competitive marketing conditions resulting from customer consolidations, possible softening of customer demand, unanticipated events or circumstances related to recently acquired businesses, the occurrence of unanticipated events or difficulties relating to divestiture, joint venture, operating, capital, global integration and other projects, changes in currency exchange rates, changes in general economic and competitive conditions, technological developments, and other risks and uncertainties, including those detailed in the Company's filings with the Securities and Exchange Commission.

Part II - Other Information

Item 6. Exhibits and Reports on Form 8-K

Reports on Form 8-K were filed on September 8, 1999 (Item 2. Acquisition or Disposition of Assets) and September 21, 1999 (exhibit only).

Exhibit No.	Description
3(b).	Bylaws of Registrant
11.	Schedule of computation of net income per share and diluted net income per share
27.	Financial data schedule

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALBANY INTERNATIONAL CORP.

(Registrant)

Date: November 10, 1999

by /s/Michael C. Nahl

Michael C. Nahl
Sr. Vice President and
Chief Financial Officer

EXHIBIT 3(b)

Bylaws of Registrant

[Revised By Laws adopted by the
Board of Directors on May 6, 1999]

ALBANY INTERNATIONAL CORP.

BY LAWS

ARTICLE I

MEETINGS OF STOCKHOLDERS

SECTION 1. An annual meeting of the stockholders for the election of directors and such other business as may properly come before such meeting shall be held on such date prior to September 1 of each year, and at such place and time, as shall be designated by the Board of Directors or by such person or persons as the Board of Directors shall authorize.

SECTION 2. Special meetings of stockholders may be called at any time by a majority of the whole number of members of the Board of Directors. It shall also be the duty of the Chairman of the Board, or, if there is no Chairman of the Board, the President, to call a special meeting whenever requested in writing to do so by stockholders holding shares of common stock of the Company entitling such stockholders to cast a majority of the votes for the election of directors. Any such request shall state the purpose or purposes for which the meeting is to be called. No business shall be transacted at a special meeting of stockholders other than business stated in the notice of such meeting as the purpose or purposes for which the meeting is called.

SECTION 3. Written notice of each meeting of stockholders shall be given to each stockholder entitled to vote thereat, stating the place, date and hour or the meeting, and, in the case of a special meeting, the purpose or purposes of the meeting. Such notice may be given by mail or by such other means as is permitted by law.

SECTION 4. At all meetings of stockholders, shares of common stock of the corporation entitling the holders thereof to cast a majority of the votes for the election of directors, present in person or by proxy, shall constitute a quorum.

SECTION 5. At all meetings of stockholders, only such persons shall be entitled to vote, in person or by proxy, as appear as stockholders on the books of the corporation on the record date for such meeting. The Board of Directors may fix a record date for a meeting as permitted by law.

SECTION 6. The Chairman of the Board of Directors shall preside at all meetings of stockholders. If the Chairman of the Board of Directors is absent or that office is vacant, the President shall preside. If the Chairman of the Board of Directors and the President are absent, or those offices are vacant, the longest serving member of the Board of Directors present shall preside at the meeting unless otherwise determined by the Board of Directors.

SECTION 7. Proposals of stockholders, including nominations of persons for election to the Board of Directors of the corporation, shall not be presented, considered or voted upon at an annual meeting of stockholders of the corporation, or at any adjournment thereof, unless (i) notice of the proposal has been received by mail directed to the Secretary of the corporation at its principal executive offices at P.O., Box 1907, Albany, New York,12201 not less than 100 days nor more than 180 days prior to the anniversary date of the last preceding annual meeting of stockholders and (ii) the stockholder giving such notice is a stockholder of record on the date of the giving of such notice and on the record date for the determination of stockholders entitled to vote at such annual meeting. Each such notice shall set forth (i) the proposal desired to be brought before the annual meeting and the reasons for presenting such proposal at the annual meeting, (ii) the name and address, as they appear on the corporation's books, of the stockholder making such proposal, (iii) the number and class of shares owned beneficially or of record by such stockholder, (iv) any material interest of such stockholder in the proposal and (iv) such other information with respect to the proposal and such stockholder as is required to be disclosed in solicitation of proxies to vote upon such proposal, or is otherwise required, pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended ("the Proxy Rules"). In the case of proposed nominations of persons for election to the Board of Directors, each such notice shall also (i) set forth such information with respect to such nominees and the stockholder proposing the nominations as is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, pursuant to the Proxy Rules and (ii) be accompanied by the written consent of each proposed nominee to being named in the corporation's proxy statement as a nominee and to serving as a director if elected and by written confirmation by each such nominee of the information relating to such nominee contained in the notice.

ARTICLE II

DIRECTORS

SECTION 1. Until changed by the Board of Directors as hereinafter provided, the number of directors shall be nine. The number of directors may be changed by the Board of Directors to such number, not less than three, as the Board of Directors may determine from time to time. No decrease in the number of directors shall shorten the term of any incumbent director. Each director shall hold office until the next annual meeting of stockholders, or the delivery of a consent or consents in lieu thereof, and until his or her successor has been elected and qualified. No person shall be elected a director of the corporation after he or she shall have reached the age of 72 years; but any person who shall, while a director, reach the age of 72 years may continue to serve until the next annual meeting, or the delivery of a consent or consents in lieu thereof, and until his or her successor has been elected and qualified.

SECTION 2. Newly created directorships resulting from an increase in the number of directors, and vacancies occurring in the Board of Directors for any reason, may be filled by vote of a majority of the directors then in office, although less than a quorum exists, or by a sole remaining director.

SECTION 3. The Board of Directors may hold meetings at such times and places as it may from time to time determine. Special meetings of the Board of Directors may be called at any time by the Chairman of the Board of Directors, by the President or by any three directors. Notice of each regular or special meeting of the Board of Directors, stating the time and place thereof, shall be given, orally or in writing, personally, by mail, telephone, facsimile or other electronic means or by any other reasonable method at least 48 hours prior to such meeting. A director may waive such notice in writing, either before or after the meeting. Attendance in person at any meeting of the Board of Directors shall be deemed to constitute waiver of notice by a director.

SECTION 4. The Board of Directors may provide for compensation to, and expenses of, its members for attendance at meetings of the Board and any committees thereof. The Board of Directors may also provide for compensation to, and expenses of, committees of stockholders.

SECTION 5. The Board of Directors may designate one or more committees consisting of one or more members of the Board of Directors. Such committees shall have and may exercise all of the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, including the power to authorize the seal of the corporation to be affixed to documents, as the Board of Directors may provide in the resolution establishing such committee or by other action taken from time to time. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. No committee shall have power or authority to (i) approve, adopt or recommend to the stockholders any action or matter expressly required by the Delaware General Corporation Law to be submitted to the stockholders for approval or (ii) amend the By Laws of the corporation.

SECTION 6. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all of the members of the Board or such committee consent thereto in writing, and the writing or writings are filed with the minutes of the Board or Committee.

SECTION 7. Members of the Board of Directors, or any committee, may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment that permits all persons participating in the meeting to hear each other participant, and participation in a meeting in such manner shall constitute presence in person at the meeting.

SECTION 8. The Chairman of the Board shall preside at all meetings of the Board of Directors. If the Chairman of the Board is absent or that office is vacant, the President shall preside. If the Chairman of the Board and the President are absent, or those offices are vacant, the longest serving member of the Board of Directors present shall preside at the meeting unless otherwise determined by the Board of Directors.

ARTICLE III

OFFICERS

The Board of Directors may elect or appoint a Chairman of the Board, a President, one or more Vice Presidents, a Secretary and a Treasurer and such other officers as the Board of Directors may from time to time determine. Any two or more offices may be held by the same person. Each officer shall have such authority, and perform such duties, as usually devolve upon his or her office or as may otherwise be determined from time to time by the Board of Directors or provided for in the By Laws of the corporation.

ARTICLE IV

INDEMNIFICATION

SECTION 1. The corporation shall indemnify any person who is a party, or is threatened to be made a party, or who is called or threatened to be called to give testimony (whether during pre-trial discovery, at trial or otherwise) in connection with any threatened, pending or completed action, suit or proceeding of any kind, whether civil, criminal or investigative, including an action by or in the right of the corporation, by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against costs, expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if (i) such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, (ii) such person did not personally gain, as a result of the acts or omissions to which such action, suit or proceeding relates, a financial profit or other financial advantage to which such person was not legally entitled and, (iii) with respect to any criminal action or proceeding, such person had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not meet the standards of conduct set forth in the preceding sentence.

SECTION 2. Any person entitled to indemnification under Section 1 of this Article IV shall, upon delivery to the corporation of the undertaking described in the following sentence, be entitled to require the corporation to pay, in advance of the final disposition of any action, suit or proceeding in respect of which indemnification is required hereunder, the costs and expenses (including attorneys fees) reasonably incurred by such person from time to time in connection with such action, suit or proceeding. The undertaking referred to above shall be a valid, written agreement of such person to repay all amounts paid to such person by the corporation pursuant to the preceding sentence if it shall ultimately be determined that such person is not entitled to indemnification by the corporation under this Article.

SECTION 3. In the event the corporation refuses to indemnify any person and an action, suit or proceeding is commenced in order to determine whether such indemnification is required under this Article IV, or in the event of any action, suit or proceeding to enforce any undertaking referred to in Section 2 of this Article, (i) the corporation, and any other participant in such an action, suit or proceeding who asserts that such person is not entitled to indemnification by the corporation under this Article, shall have the burden of proof to establish that such person is not entitled to indemnification under this Article, and (ii) if, as a result of such action, suit or proceeding, such person is held to be entitled to indemnification under this Article, or if the corporation and all other participants asserting such claim cease to pursue the claim that such person is not entitled to indemnification, then the corporation shall, in addition to the indemnification otherwise required under Section 1 of this Article, indemnify such person against the costs and expenses (including attorneys fees) reasonably incurred by such person in connection with the action, suit or proceeding in which such person's right to indemnification was disputed.

SECTION 4.

(a) The Board of Directors of the corporation may authorize the purchase and maintenance by the corporation of insurance for the benefit of any person or persons entitled to indemnification under this Article covering risks of the kind to which such indemnification relates. Such insurance coverage may exceed the scope of such indemnification.

(b) If, at any time, any person receives proceeds from an insurance policy referred to in the preceding subsection (a) on account of any matter with respect to which such person is entitled to indemnification under this Article, the indemnification obligations of the corporation under this Article shall be reduced by the amount of such proceeds so received.

(c) Upon payment by the corporation of any amount as indemnification under this Article, the corporation will be subrogated, to the extent of such amount, to the rights, if any, of the indemnified person under any insurance policy covering risks of the kind to which indemnification under this Article relates, and the indemnified person will cooperate to facilitate the corporation's enforcement of such subrogation rights.

SECTION 5. Indemnification rights provided under this Article IV shall be deemed to be contract rights. No modification or termination of any provision of this Article or of the rights provided hereunder shall diminish or change any right of any person to indemnification under this Article with respect to any action, suit or proceeding which relates to acts or omissions of such person occurring prior to the time when such person receives written notice that such modification or termination has occurred.

SECTION 6. The Board of Directors of the corporation may authorize the execution and delivery by the corporation of agreements with persons who are or who become beneficiaries of the indemnification rights provided under this Article, such agreements to contain provisions substantially in accordance with the provisions of this Article.

SECTION 7. The rights of indemnification provided in this Article IV are not intended to be exclusive of any other rights of indemnification to which any person may be or become entitled, whether by reason of law, contract, action by the Board of Directors or otherwise.

SECTION 8. For purposes of this Article IV: references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonable believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" for purposes of this Article.

SECTION 9. The rights of indemnification provided in this Article IV (including, without limitation, rights to advancement of costs and expenses) shall continue as to a person who has ceased to be a director, officer, employee or agent of the corporation with respect to acts or omissions occurring while such person was a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person with respect to such acts or omissions.

ARTICLE V

AMENDMENT OF BY LAWS

SECTION 1. These By Laws may be amended at any time, and from time to time, by the Board of Directors or by the stockholders of the corporation.

ALBANY INTERNATIONAL CORP.
EXHIBIT 11
SCHEDULE OF COMPUTATION OF NET INCOME PER SHARE AND DILUTED NET INCOME PER SHARE

(in thousands, except per share data)

	For the three months ended September 30, 1999 (1)	For the three months ended September 30, 1998 (1)	For the nine months ended September 30, 1999 (1)	For the nine months ended September 30, 1998 (1)
Net income	$10,667	$11,067	$31,172	$32,717
Weighted average number of shares	29,776,046	30,378,244	29,715,743	30,756,166
Effect of potentially dilutive securities:				
Stock options (2)	75,190	265,494	201,856	445,730
Weighted average number shares, including the effect of potentially dilutive securities	29,851,236	30,643,738	29,917,599	31,201,896
Net income per share	$0.36	$0.37	$1.05	$1.07
Diluted net income per share	$0.36	$0.36	$1.04	$1.06

Calculation of Weighted Average Number of Shares:

Activity	Shares Outstanding (1)	Days Year to Date	Days Quarter	Weighted Average Shares For the three months ended September 30, 1999	Weighted Average Shares For the three months ended September 30, 1998	Weighted Average Shares For the nine months ended September 30, 1999	Weighted Average Shares For the nine months ended September 30, 1998
1998							
Beginning balance	31,638,530	8					927,136
Treasury shares - 5,000	31,633,379	6					695,239
Options - 2,500 shares	31,635,954	1					115,883
Treasury shares - 411,100	31,212,429	7					800,319
Treasury shares - 400,000	30,800,339	7					789,752
Treasury shares - 13.700	30,786,224	1					112,770
ESOP shares - 12,783	30,799,394	25					2,820,457
Treasury shares - 26,000	30,772,608	3					338,161
ESOP shares - 41,378	30,815,237	13					1,467,392
Options - 600 shares	30,815,855	5					564,393
Options - 20,000 shares	30,836,459	9					1,016,587
Options - 8,000 shares	30,844,701	4					451,937
Options - 9,500 shares and ESOP shares - 10,011	30,864,802	2					226,116
Options - 4,400 shares	30,869,335	1					113,074
Options - 8,000 shares	30,877,577	3					339,314
Options - 16,600 shares	30,894,678	15					1,697,510
Options - 1,600 shares	30,896,327	3					339,520
Options - 5,400 shares	30,901,890	4					452,775
Options - 1,500 shares	30,903,435	2					226,399
ESOP shares - 10,443	30,914,194	1					113,239
Options - 500 shares	30,914,709	10					1,132,407
Options - 7,400 shares	30,922,333	4					453,074
Directors shares - 2,004	30,924,397	4					453,105
Options - 600 shares	30,925,015	1					113,278
Options - 3,000 shares	30,928,106	2					226,580
Options - 1,200 shares	30,929,342	5					566,471
Options - 600 shares	30,929,961	4					453,186
ESOP shares - 9,096	30,939,331	3					339,993
Options - 10,000 shares	30,949,634	2					226,737
Options - 10,000 shares	30,959,936	3					340,219
Options - 2,500 shares	30,962,512	1					113,416
Options - 500 shares	30,963,027	9					1,020,759
Options - 3,000 shares	30,966,117	1					113,429
Treasury shares - 6,900	30,959,009	3					340,209
Options - 550 shares	30,959,575	3					340,215
Treasury shares - 120,000	30,835,948	5					564,761
ESOP shares - 11,371	30,848,049	22	21		7,041,403		2,485,923
Treasury shares - 72,200	30,774,037	1	1		334,500		112,725
Treasury shares - 33,700	30,739,491	1	1		334,125		112,599
Treasury shares - 50,000	30,688,236	7	7		2,334,974		786,878
ESOP shares - 13,945	30,702,531	4	4		1,334,893		449,854
Treasury shares - 52,000	30,649,226	3	3		999,431		336,805
Treasury shares - 64,800	30,582,800	4	4		1,329,687		448,100

Treasury shares - 7,800	30,574,804	2	2		664,670		223,991
Treasury shares - 63,700	30,509,505	4	4		1,326,500		447,026
Treasury shares - 16,800	30,492,283	2	2		662,876		223,387
Treasury shares - 60,000	30,430,777	1	1		330,769		111,468
Treasury shares - 14,400	30,416,016	1	1		330,609		111,414
Treasury shares - 50,000	30,364,761	5	5		1,650,259		556,131
Treasury shares - 40,100	30,323,654	1	1		329,605		111,076
Treasury shares - 5,000	30,318,529	4	4		1,318,197		444,228
ESOP shares - 13,856	30,332,733	2	2		659,407		222,218
Treasury shares - 36,000	30,295,829	1	1		329,302		110,974
Treasury shares - 152,000	30,140,014	1	1		327,609		110,403
Treasury shares - 200,000	29,934,994	5	5		1,626,902		548,260
Treasury shares - 100,000	29,832,484	1	1		324,266		109,276
Treasury shares - 15,000	29,817,107	5	5		1,620,495		546,101
Treasury shares - 35,000	29,781,229	1	1		323,709		109,089
Treasury shares - 44,900	29,735,202	9	9		2,908,878		980,281
Treasury shares - 63,600	29,670,005	5	5		1,612,500		543,407
ESOP shares - 14,678	29,686,322	1	1		322,677		108,741
					-------------		------------
Totals					30,378,244		30,756,166
					=============		============
1999							
Beginning balance	29,627,670	30				3,255,788	
ESOP shares - 13,772	29,641,442	28				3,040,148	
ESOP shares - 15,530	29,656,972	31				3,367,642	
ESOP shares - 49,234	29,706,206	20				2,176,279	
Options - 2,400 shares	29,708,606	10				1,088,227	
ESOP shares - 13,350	29,721,956	6				653,230	
Stock dividend adjust. - 1,592	29,723,548	4				435,510	
Directors shares - 2,884	29,726,432	2				217,776	
Options - 1,550 shares	29,727,982	1				108,894	
Options - 1,400 shares	29,729,382	4				435,595	
Options - 1,000 shares	29,730,382	4				435,610	
Options - 400 shares	29,730,782	10				1,089,040	
ESOP shares - 12,335	29,743,117	14				1,525,288	
Options - 1,800 shares	29,744,917	16				1,743,292	
ESOP shares - 13,827	29,758,744	31	30	9,703,938		3,379,198	
ESOP shares - 16,877	29,775,621	31	31	10,033,090		3,381,114	
ESOP shares - 16,925	29,792,546	30	30	9,714,961		3,273,906	
ESOP shares - 20,754	29,813,300	1	1	324,058		109,206	
				------------		------------	
Totals				29,776,046		29,715,743	
				============		============	

(1) Includes Class A and Class B Common Stock

(2) Incremental shares of unexercised options are calculated based on the average price of the Company's stock for the respective period. The calculation includes all options that are dilutive to earnings per share.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM
ALBANY INTERNATIONAL CORP'S CONSOLIDATED FINANCIAL STATEMENTS AS OF AND
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY
REFERENCE TO SUCH FINANCIAL STATEMENTS.

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9-MOS
DEC-31-1999
SEP-30-1999
24,983
0
235,691
8,272
242,371
521,191
724,162
346,753
1,219,432
158,547
554,219
0
0
32
328,956
1,219,432
553,960
553,960
326,849
488,048
(231)
(169)
15,227
51,085
20,426
31,172
0
0
0
31,172
1.05
1.04