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: June 30, 1997

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 25,137,101 shares of Class A Common Stock and 5,615,563 shares of Class B Common Stock outstanding as of June 30, 1997.

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 June 30, 1997	Three Months Ended June 30, 1996		Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
$181,904	$172,081	Net sales	$353,724	$340,148
103,218	99,675	Cost of goods sold	203,223	197,982
78,686	72,406	Gross profit	150,501	142,166
52,493	49,740	Selling, technical and general expenses	101,986	98,572
26,193	22,666	Operating income	48,515	43,594
3,837	4,000	Interest expense, net	7,725	8,515
441	(1,135)	Other expense/(income), net	1,024	(28)
21,915	19,801	Income before income taxes	39,766	35,107
8,547	7,724	Income taxes	15,508	13,694
13,368	12,077	Income before associated companies	24,258	21,413
103	71	Equity in earnings/(losses) of associated companies	96	(113)
13,471	12,148	Income before extraordinary item	24,354	21,300
-	-	Extraordinary loss on early extinguishment of debt, net of tax of $828	-	1,296
13,471	12,148	Net income	24,354	20,004
213,982	175,901	Retained earnings, beginning of period	206,308	171,082
3,220	3,036	Less dividends	6,429	6,073
$224,233	$185,013	Retained earnings, end of period	$224,233	$185,013
		Income/(loss) per common share:		
$0.44	$0.40	Income before extraordinary item	$0.80	$0.70
-	-	Extraordinary loss on early extinguishment of debt	-	(0.04)
$0.44	$0.40	Net income	$0.80	$0.66
$0.105	$0.10	Dividends per common share	$0.21	$0.20
30,664,081	30,348,858	Weighted average number of shares	30,605,710	30,316,723

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

ALBANY INTERNATIONAL CORP.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	(unaudited) June 30, 1997	December 31, 1996
ASSETS		
Cash and cash equivalents	$10,875	$8,034
Accounts receivable, net	175,671	179,516
Inventories:		
Finished goods	100,111	98,605
Work in process	41,801	40,568
Raw material and supplies	32,819	33,808
	174,731	172,981
Deferred taxes and prepaid expenses	16,167	16,879
Total current assets	377,444	377,410
Property, plant and equipment, net	324,322	339,461
Investments in associated companies	2,209	2,060
Intangibles	43,082	44,954
Deferred taxes	28,637	27,756
Other assets	36,711	33,059
Total assets	$812,405	$824,700
LIABILITIES AND SHAREHOLDERS' EQUITY		
Notes and loans payable	$46,446	$65,165
Accounts payable	29,851	32,813
Accrued liabilities	56,458	59,755
Current maturities of long-term debt	2,432	2,295
Income taxes payable and deferred	9,631	13,068
Total current liabilities	144,818	173,096
Long-term debt	193,954	187,100
Other noncurrent liabilities	102,999	97,579
Deferred taxes and other credits	41,345	38,162
Total liabilities	483,116	495,937
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 25,141,815 in 1997 and 24,865,573 in 1996	25	25
Class B Common Stock, par value $.001 per share; authorized 25,000,000 shares; issued and outstanding 5,615,563 in 1997 and 1996	6	6
Additional paid in capital	182,989	177,412
Retained earnings	224,233	206,308
Translation adjustments	(65,390)	(42,340)
Pension liability adjustment	(12,483)	(12,483)
	329,380	328,928
Less treasury stock (Class A), at cost (4,714 shares in 1997; 16,511 shares in 1996)	91	165
Total shareholders' equity	329,289	328,763
Total liabilities and shareholders' equity	$812,405	$824,700

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

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

	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
OPERATING ACTIVITIES		
Net income	$24,354	$20,004
Adjustments to reconcile net income to net cash provided by operating activities:		
Equity in (earnings)/losses of associated companies	(96)	113
Depreciation and amortization	22,260	22,846
Accretion of convertible subordinated debentures	-	353
Provision for deferred income taxes, other credits and long-term liabilities	7,833	270
Increase in cash surrender value of life insurance, net of premiums paid	(1,032)	(972)
Unrealized currency transaction losses/(gains)	1,732	(8)
(Gain)/loss on disposition of assets	(20)	535
Shares contributed to ESOP	2,736	3,719
Loss on early extinguishment of debt	-	1,296
Changes in operating assets and liabilities:		
Accounts receivable	1,933	(5,576)
Inventories	(2,053)	(10,266)
Prepaid expenses	1,071	504
Accounts payable	(2,962)	(8,999)
Accrued liabilities	(715)	(7,347)
Income taxes payable	(3,561)	9,189
Other, net	(4,105)	(2,491)
Net cash provided by operating activities	47,375	23,170
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(23,106)	(24,511)
Purchased software	(508)	(1,350)
Proceeds from sale of assets	66	1,800
Net cash used in investing activities	(23,548)	(24,061)
FINANCING ACTIVITIES		
Proceeds from borrowings	29,083	153,952
Principal payments on debt	(38,133)	(144,675)
Proceeds from options exercised	3,708	101
Tax benefit of options exercised	626	-
Purchases of treasury shares	(1,421)	(2,552)
Dividends paid	(6,255)	(6,067)
Net cash (used)/provided by financing activities	(12,392)	759
Effect of exchange rate changes on cash	(8,594)	(916)
Increase/(decrease) in cash and cash equivalents	2,841	(1,048)
Cash and cash equivalents at beginning of year	8,034	7,609
Cash and cash equivalents at end of period	$10,875	$6,561

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, 1996.

2. Other Expense/(Income), Net

Included in other expense/(income), net for the six months ended June 30 are: currency transactions, $.7 million income in 1997 and $1.9 million income in 1996, amortization of debt issuance costs and loan origination fees, $.4 million in 1997 and $.5 million in 1996, interest rate protection agreements, $.7 million income in 1997 and $.3 million income in 1996 and other miscellaneous expenses/(income), none of which are significant, in 1997 and 1996.

Included in other expense/(income), net for the three months ended June 30 are: currency transactions, $.3 million income in 1997 and $2.0 million income in 1996, amortization of debt issuance costs and loan origination fees, $.2 million in 1997 and 1996, interest rate protection agreements, $.5 million income in 1997 and $.6 million income in 1996 and other miscellaneous expenses/(income), none of which are significant, in 1997 and 1996.

3. Earnings Per Share

Earnings per share on common stock are computed using the weighted average number of shares of Class A and Class B Common Stock outstanding during each year. Options granted under the Company's stock option plans were not dilutive to earnings per share at June 30, 1997 and 1996.

Effective December 15, 1997, the Company is required to adopt Financial Accounting Standard No. 128, "Earnings per Share". This Standard requires both basic and diluted earnings per share to be reported for all periods presented. When income/(loss) per common share is calculated in accordance with this Standard, for the three and six months ended June 30, 1997 and 1996, basic and diluted income/(loss) per common share do not significantly differ from reported amounts.

4. Income Taxes

The Company's effective tax rate for the six months ended June 30, 1997 and 1996 was 39% and approximates the anticipated effective tax rate for the full year 1997.

5. Supplementary Cash Flow Information

Interest paid for the six months ended June 30, 1997 and 1996 was $7.3 million and $10.5 million, respectively.

Taxes paid for the six months ended June 30, 1997 and 1996 was $7.7 million and $6.9 million, respectively.

6. 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 expense/(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 expense/(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 are recorded in "Other expense/(income), net". Open positions are valued at fair value using quoted market rates.

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

For the Three and Six Months Ended June 30, 1997

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

RESULTS OF OPERATIONS:

Net sales increased to $181.9 million for the three months ended June 30, 1997 as compared to $172.1 million for the three months ended June 30, 1996. The effect of the stronger U.S. dollar as compared to the second quarter of 1996 was to decrease net sales by $7.0 million. Excluding this effect and the 1996 acquisition of Schieffer Door Systems ("Schieffer"), 1997 net sales increased 5.8% as compared to 1996.

Net sales increased 4% to $353.7 million for the six months ended June 30, 1997 compared with the same period in 1996. The effect of the stronger U.S. dollar as compared to the first six months of 1996 was to decrease net sales by $11.9 million. Excluding this effect and Schieffer, 1997 net sales increased 3.1% as compared to 1996.

Geographically, net sales for the six months ended June 30, 1997, as compared to the same period in 1996, increased in the U.S. and decreased in Canada. The decrease in Canada is due to poor economic conditions in the Canadian paper industry and lower exports to Asia due to high inventories in that region. Net sales in Europe decreased primarily due to the effect of the stronger U.S. dollar.

Gross profit was 43.3% of net sales for the three months ended June 30, 1997 as compared to 42.1% for the same period in 1996 bringing the six month result to 42.5% for 1997 as compared to 41.8% for 1996. Excluding the effect of Schieffer, gross profit was 43.4% and 42.9% of net sales for the three and six months ended June 30, 1997, respectively. Year to date variable costs as a percent of net sales increased from 32.7% in 1996 to 33.5% for the same period in 1997. Excluding the effect of Schieffer, variable costs as a percent of net sales would have declined to 32.4% in 1997.

Selling, technical, general and research expenses, excluding Schieffer, were flat for the six months ended June 30, 1997 as compared to the same period in 1996. Excluding the additional effect of translation of non-U.S. currencies into fewer U.S. dollars, these expenses increased 3%.

Operating income as a percentage of net sales increased to 13.7% for the six months ended June 30, 1997 from 12.8% for the comparable period in 1996 and increased to 14.4% for the three months ended June 30, 1997 from 13.2% in 1996, due to items discussed above.

The tax rate for the six months ended June 30, 1997 and 1996 was 39.0% and approximates the anticipated effective rate for the full year 1997.

Reasons for the changes in operating results for the three month period ended June 30, 1997 as compared to the corresponding period in 1996 are similar to those which affected the six month comparisons, except where specifically noted.

LIQUIDITY AND CAPITAL RESOURCES:

Accounts receivable decreased $3.8 million from December 31, 1996. Excluding the effect of the stronger U.S. dollar accounts receivable increased $2.3 million. Inventories increased $1.7 million during the six months ended June 30, 1997. Excluding the effect of the stronger U.S. dollar, inventories increased $7.3 million.

On March 15, 1996, the Company redeemed the $150 million, 5.25% convertible subordinated debentures at a redemption price of 91.545%. This redemption resulted in an extraordinary loss of approximately $1.3 million, net of tax. The debentures were redeemed by utilizing the revolving credit agreement and short-term debt. The Company's current debt structure has resulted in lower interest expense and currently provides approximately $230 million in committed and available unused long-term debt capacity with financial institutions. Management believes that this debt capacity, in combination with expected free cash flows, should be sufficient to meet operating requirements and for business opportunities and most acquisitions which support corporate strategies.

Capital expenditures for the six months ended June 30, 1997 were $23.1 million as compared to $24.5 million for the same period last year. The Company anticipates that capital expenditures, excluding the capital equivalent of leases, will be approximately $60 million for the full year. The largest single capital expenditure will be approximately $15 million to complete the construction of a new manufacturing facility in South Korea. The Company will continue to finance these expenditures with cash from operations and existing credit facilities.

A cash dividend of $.10 per share, which was declared for the fourth quarter of 1996, was paid in the first quarter of 1997. The Company also declared a cash dividend of $.105 per share for the first quarter of 1997, which was paid in the second quarter of this year, and a cash dividend of $.105 per share for the second quarter of 1997 which will be paid in the third quarter of this year.

Effective December 15, 1997, the Company is required to adopt Financial Accounting Standard No. 128, "Earnings per Share". This Standard requires both basic and diluted earnings per share to be reported for all periods presented. When income/(loss) per common share is calculated in accordance with this Standard, for the three and six months ended June 30, 1997 and 1996, basic and diluted income/(loss) per common share do not significantly differ from reported amounts.

Item 4. Submission of Matters to a Vote of Security Holders

At the annual meeting of shareholders held on April 16, 1997 items subject to a vote of security holders were the election of eight directors and the election of auditors.

In the vote for the election of eight members of the Board of Directors of the Company, the number of votes cast for, and the number of votes withheld from, each of the nominees were as follows:

Nominee	Number of Votes For		Number of Votes Withheld		Broker Nonvotes	
	Class A	Class B	Class A	Class B	Class A	Class B
J. Spencer Standish	22,004,864	56,154,630	109,209	-	-	-
Francis L. McKone	22,004,814	56,154,630	109,259	-	-	-
Charles B. Buchanan	22,004,755	56,154,630	109,318	-	-	-
Thomas R. Beecher, Jr.	22,004,326	56,154,630	109,748	-	-	-
Stanley I. Landgraf	22,004,016	56,154,630	110,057	-	-	-
Dr. Joseph G. Morone	22,004,864	56,154,630	109,209	-	-	-
Allan Stenshamn	22,004,864	56,154,630	109,209	-	-	-
Barbara P. Wright	22,004,216	56,154,630	109,857	-	-	-

In the vote on the motion to appoint the firm of Coopers & Lybrand L.L.P. as the Company's auditor for 1997, the number of votes cast for, the number cast against, and the number of votes abstaining with respect to such resolution were as follows:

Number of Votes For		Number of Votes Against		Number of Votes Abstaining		Broker Nonvotes	
Class A	Class B	Class A	Class B	Class A	Class B	Class A	Class B
22,031,307	56,154,630	17,480	-	65,285	-	-	-

Item 6. Exhibits and Reports on Form 8-K

No reports on Form 8-K were filed during the quarter ended June 30, 1997.

Exhibit No.	Description
11.	Schedule of computation of primary and fully 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: August 5, 1997

by /s/Michael C. Nahl

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

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

(in thousands, except per share data)

PRIMARY EARNINGS PER SHARE:

For the three months ended June 30, 1997 (1)	1996 (1)		For the six months ended June 30, 1997 (1)	1996 (1)
30,752,664	30,375,488	Common stock outstanding at end of period	30,752,664	30,375,488
		Adjustments to ending shares to arrive at weighted average for the period:		
(23,104)	(22,053)	Shares contributed to E.S.O.P. (2)	(56,210)	(80,129)
(66,929)	(4,577)	Shares issued under option (2)	(101,921)	(6,416)
1,451	-	Treasury shares purchased (2)	11,177	27,780
30,664,081	30,348,858	Weighted average number of shares	30,605,710	30,316,723
$13,471	$12,148	Income before extraordinary item	$24,354	$21,300
-	-	Extraordinary loss on early extinguishment of debt, net of tax of $828	-	$1,296
$13,471	$12,148	Net income	$24,354	$20,004
$0.44	$0.40	Income per share before extraordinary item (3)	$0.80	$0.70
-	-	Extraordinary loss on early extinguishment of debt (3)	-	($0.04)
$0.44	$0.40	Net income per share (3)	$0.80	$0.66

(1) Includes Class A and Class B Common Stock

(2) Calculated as follows:
number of shares multiplied by the reciprocal of the number of days outstanding (or the reciprocal of the number of days held in treasury for treasury stock purchases) divided by the number of days in the period

ADJUSTMENTS TO ENDING SHARES:

	Number of days in period: Three months	Six months
1996	91	182
1997	91	181

Reciprocal days: Three months	Six months		Shares adjustment: Shares	Three months	Six months
		1996			
		Shares Contributed to ESOP:			
-	30	31-Jan-96	12,969	-	2,138
-	59	29-Feb-96	136,670	-	44,305
-	90	31-Mar-96	11,616	-	5,744
29	120	30-Apr-96	10,790	3,438	7,114
60	151	31-May-96	12,658	8,346	10,502
90	181	30-Jun-96	10,383	10,269	10,326
		Totals		22,053	80,129

		Shares Issued Under Option or to Directors:			
49	140	20-May-96	2,255	1,214	1,735
51	142	22-May-96	6,000	3,363	4,681
				-------------------	-------------------
		Totals		4,577	6,416
				===================	===================
		Treasury Shares Purchased:			
-	16	17-Jan-96	91,000	-	8,000
-	72	13-Mar-96	50,000	-	19,780
				-------------------	-------------------
		Totals		-	27,780
				===================	===================
		1997			
		Shares Contributed to ESOP:			
-	30	31-Jan-97	12,002	-	1,989
-	58	28-Feb-97	58,773	-	18,833
-	89	31-Mar-97	12,126	-	5,963
29	119	30-Apr-97	12,380	3,945	8,139
60	150	31-May-97	12,193	8,039	10,105
90	180	30-Jun-97	11,243	11,119	11,181
				-------------------	-------------------
		Totals		23,104	56,210
				===================	===================
		Shares Issued Under Option or to Directors:			
-	1	02-Jan-97	200	-	1
-	2	03-Jan-97	3,600	-	40
-	5	06-Jan-97	10,000	-	276
-	6	07-Jan-97	900	-	30
-	7	08-Jan-97	5,000	-	193
-	29	30-Jan-97	37,300	-	5,976
-	33	03-Feb-97	20,000	-	3,646
-	37	07-Feb-97	5,000	-	1,022
-	42	12-Feb-97	27,000	-	6,265
-	43	13-Feb-97	1,400	-	333
-	44	14-Feb-97	28,600	-	6,952
-	48	18-Feb-97	10,000	-	2,652
1	91	02-Apr-97	1,800	20	905
20	110	21-Apr-97	2,922	642	1,776
69	159	09-Jun-97	2,500	1,896	2,196
72	162	12-Jun-97	17,900	14,163	16,021
73	163	13-Jun-97	10,200	8,182	9,186
78	168	18-Jun-97	8,700	7,457	8,075
79	169	19-Jun-97	19,200	16,668	17,927
85	175	25-Jun-97	5,000	4,670	4,834
86	176	26-Jun-97	14,000	13,231	13,613
				-------------------	-------------------
		Totals		66,929	101,921
				===================	===================
		Treasury Shares Purchased:			
-	26	27-Jan-97	57,500	-	8,260
30	120	01-May-97	4,400	1,451	2,917
				-------------------	-------------------
				1,451	11,177
				===================	===================

(3) Dilutive common stock equivalents are not material and therefore are not included in the calculation of primary earnings per common share.

FULLY DILUTED EARNINGS PER SHARE:

For the three months ended June 30, 1997	For the three months ended June 30, 1996		For the six months ended June 30, 1997	For the six months ended June 30, 1996
30,664,081	30,348,858	Weighted average number of shares	30,605,710	30,316,723
367,993	391,516	Incremental shares of unexercised options (4)	367,993	391,516
31,032,074	30,740,374	Adjusted weighted average number of shares	30,973,703	30,708,239
$13,471	$12,148	Income before extraordinary item	$24,354	$21,300
-	-	Extraordinary loss on early extinguishment of debt, net of tax of $828	-	$1,296
$13,471	$12,148	Net income (including after-tax income adjustment)	$24,354	$20,004
$0.43	$0.40	Income per share before extraordinary item	$0.79	$0.69
-	-	Extraordinary loss on early extinguishment of debt	-	($0.04)
$0.43	$0.40	Fully diluted net income per share	$0.79	$0.65

(4) Incremental shares of unexercised options are calculated based on the higher of the average price of the Company's stock or the ending price for the respective period. The calculation includes all options whose exercise price is below the higher of the average or ending stock price.

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM ALBANY INTERNATIONAL CORP'S CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE SIX MONTHS ENDED JUNE 30, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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6-MOS
DEC-31-1997
JUN-30-1997
10,875
0
179,881
4,211
174,731
377,444
624,501
300,179
812,405
144,818
193,954
0
0
31
329,258
812,405
353,724
353,724
203,223
305,960
1,024
(751)
7,725
39,766
15,508
24,354
0
0
0
24,354
0.80
0.80