

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) July 26, 2007

L. B. Foster Company

(Exact name of registrant as specified in its charter)

Pennsylvania 000-10436 25-1324733

(State or other jurisdiction of incorporation) (Commission File Number) (I.R.S. Employer Identification No.)

415 Holiday Drive, Pittsburgh, Pennsylvania 15220

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (412) 928-3417

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

On July 26, 2007, L.B. Foster Company (the "Company") issued a press release announcing the Company's results of operations for the second quarter ended June 30, 2007. A copy of that press release is furnished with this report as Exhibit 99.1.

The information contained in this Current Report shall not be deemed to be "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934 (the "Exchange Act"), as amended, or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities and Exchange Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

99.1 Press Release issued by L.B. Foster Company, July 26, 2007.

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 hereunto duly authorized.

L.B. Foster Company

(Registrant)

Date: July 26, 2007

/s/ David J. Russo

David J. Russo
Senior Vice President,
Chief Financial Officer and Treasurer

EXHIBIT INDEX

Exhibit Number

Description

99.1	Press Release dated July 26, 2007, of L. B. Foster Company.
------	---

PRESS RELEASE

L.B. Foster Company

415 Holiday Drive, Pittsburgh, PA 15220

Contact: Stan L. Hasselbusch

Phone: (412) 928-3417

FAX: (412) 928-7891

Email: investors@LBFosterCo.com

FOR IMMEDIATE RELEASE

L.B. FOSTER REPORTS RECORD SECOND QUARTER

SALES INCREASE 50%

EPS FROM CONTINUING OPERATIONS UP 117%

PITTSBURGH, PA, July 26, 2007 - L.B. Foster Company (NASDAQ: FSTR), a leading manufacturer, fabricator, and distributor of products and services for rail, construction, energy and utility markets, today reported that its second quarter earnings per diluted share from continuing operations increased to \$0.63 from \$0.29 in last year's second quarter, a 117% increase. This is the tenth consecutive quarter the Company has recorded an earnings increase over the prior year quarter.

2007 Second Quarter Results

In the second quarter of 2007, L.B. Foster had income from continuing operations of \$6.8 million or \$0.63 per diluted share compared to income from continuing operations of \$3.1 million or \$0.29 per diluted share in the second quarter of 2006. The Company reported no income from discontinued operations in the second quarter of 2007, compared to a \$0.1 million (\$0.01 per diluted share) loss in last year's second quarter, which relates to its former Geotechnical Division that was sold in the first quarter of 2006. Net income was \$6.8 million or \$0.63 per diluted share in 2007 compared to \$3.0 million or \$0.28 per diluted share in 2006.

Net sales increased 50% to \$148.5 million compared to \$99.3 million in the prior year quarter.

Gross profit margin was 14.3%, up 80 basis points from the prior year quarter primarily as a result of increased billing margins before manufacturing and other variances.

Selling and administrative expenses increased \$1.1 million or 13% over last year's quarter due primarily to increased employee related costs including salaries and incentive compensation. Second quarter interest expense increased \$0.3 million or 38% over the prior year quarter due to increased average borrowings. The increase in borrowings was due primarily to an increase in working capital requirements as well as significant capital investments made during the past twelve months. The Company's income tax rate from continuing operations was 35.5% in the second quarter compared to 29.0% in the prior year quarter. The low tax rate in the 2006 second quarter was the result of releasing a portion of the valuation allowance provided for state deferred assets.

"Overall, Rail, Tubular and Construction Products sales were very strong and bottom line results increased across all segments. However, while our Tubular and Construction Segments expanded gross profit margins, the Rail Segment was hampered by lower distribution and concrete tie margins. On a positive note, Rail margins including concrete tie margins were improved over the first quarter of this year," commented Stan Hasselbusch, President and Chief Executive Officer. Our Tucson tie facility has made great progress with the efficiency of the new equipment and with the quality of the concrete mix, but we have struggled with employee turnover as new companies offering higher wages have recently entered the Tucson marketplace. We are working to address this issue and stabilize the workforce at this facility," remarked Mr. Hasselbusch. Mr. Hasselbusch concluded by adding, "We also wanted to acknowledge that Chaparral Steel, our primary supplier of steel sheet and beam piling, recently announced

that they have agreed to be purchased by Gerdau Ameristeel Corporation. We look forward to continuing to work with Chaparral during this transition period and with the new Gerdau/Chaparral team in the future."

2007 Half Year Results

For the six months ended June 30, 2007, L.B. Foster reported income from continuing operations of \$9.9 million or \$0.91 per diluted share compared to \$4.3 million or \$0.40 per diluted share in 2006. Income from discontinued operations in 2006 was \$2.6 million or \$0.24 per diluted share and included the gain on the sale of our former Geotechnical Division of \$3.0 million. Net income was \$9.9 million or \$0.91 per diluted share in 2007 compared to \$6.9 million or \$0.64 per diluted share in 2006.

Net sales for the first half of 2007 increased 41% to \$259.2 million compared to \$183.5 million in 2006. Gross profit margin was 13.7%, up 100 basis points from 2006, primarily as a result of increased billing margins offset, in part, by increased manufacturing, scrap and obsolescence variances.

Selling and administrative expenses increased \$1.8 million or 11% over the prior year due primarily to employee related costs including salaries and incentive compensation. Interest expense increased \$0.9 million over the prior year due to increased average borrowings. The Company's income tax rate from continuing operations was 35.6% compared to 30.6% in the prior year.

Cash provided from operations was approximately \$12.4 million for the second quarter of 2007 and \$4.6 million on a year-to-date basis, compared to cash used by operations of \$8.3 million and \$14.2 million for the second quarter and first half of 2006, respectively. Capital expenditures were \$2.8 million for the first six months of 2007 compared to \$8.7 million during the prior year period. "We expect to continue to generate positive cash from operations in the second half of 2007 and anticipate capital expenditures to be below \$10 million for the year," commented Mr. Hasselbusch, who concluded by reporting, "Overall business activity remains robust and is reflected in our order bookings. Bookings for the first half of 2007 were \$295 million, 21% higher than last year. Backlog at June 30, 2007 was \$179 million, 13% higher than last year, which we continue to expect to translate into a strong 2007."

L.B. Foster Company will conduct a conference call and webcast to discuss its second quarter 2007 operating results on Thursday, July 26, 2007 at 10:00am ET. The call will be hosted by Mr. Stan Hasselbusch, President and Chief Executive Officer. Listen via audio on the L.B. Foster web site: www.lbfoster.com, by accessing the Investor Relations page.

The Company wishes to caution readers that various factors could cause the actual results of the Company to differ materially from those indicated by forward-looking statements in news releases, and other communications, including oral statements, such as references to future profitability, made from time to time by representatives of the Company. Specific risks and uncertainties that could affect the Company's profitability include, but are not limited to, general economic conditions, adequate funding for infrastructure projects, the potential value of the Dakota Minnesota & Eastern Railroad, production delays or problems encountered at our manufacturing facilities, and the availability of existing and new piling and rail products. Matters discussed in such communications are forward-looking statements that involve risks and uncertainties. Sentences containing words such as "anticipates," "expects," or "will," generally should be considered forward-looking statements. More detailed information on these and additional factors which could affect the Company's operating and financial results are described in the Company's Forms 10-K, 10-Q and other reports, filed or to be filed with the Securities and Exchange Commission. The Company urges all interested parties to read these reports to gain a better understanding of the many business and other risks that the Company faces. The forward-looking statements contained in this press release are made only as of the date hereof, and the Company undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

CONDENSED STATEMENTS OF CONSOLIDATED INCOME
L. B. FOSTER COMPANY AND SUBSIDIARIES
(In Thousands, Except Per Share Amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
	(Unaudited)		(Unaudited)	
NET SALES	\$148,547	\$99,313	\$259,213	\$183,468
Cost of goods sold	127,309	85,868	223,785	160,219
Selling and administrative expenses	9,790	8,685	18,191	16,416
Interest expense	1,183	858	2,405	1,523
Other income	(346)	(433)	(604)	(864)
	-----	-----	-----	-----
	137,936	94,978	243,777	177,294
	-----	-----	-----	-----
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	10,611	4,335	15,436	6,174
INCOME TAXES	3,762	1,256	5,495	1,889
	-----	-----	-----	-----
INCOME FROM CONTINUING OPERATIONS, NET OF TAX	6,849	3,079	9,941	4,285
(LOSS) INCOME FROM DISCONTINUED OPERATIONS	(31)	(118)	(19)	2,701
INCOME TAX (BENEFIT) EXPENSE	(12)	(21)	(8)	120
	-----	-----	-----	-----
(LOSS) INCOME FROM DISCONTINUED OPERATIONS, NET OF TAX	(19)	(97)	(11)	2,581
NET INCOME	\$6,830	\$2,982	\$9,930	\$6,866
	=====	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE:				
FROM CONTINUING OPERATIONS	\$0.65	\$0.30	\$0.94	\$0.42
FROM DISCONTINUED OPERATIONS	(0.00)	(0.01)	(0.00)	0.25
	-----	-----	-----	-----
BASIC EARNINGS PER COMMON SHARE	\$0.64	\$0.29	\$0.94	\$0.67
	=====	=====	=====	=====
DILUTED EARNINGS PER COMMON SHARE:				
FROM CONTINUING OPERATIONS	\$0.63	\$0.29	\$0.91	\$0.40
FROM DISCONTINUED OPERATIONS	(0.00)	(0.01)	(0.00)	0.24
	-----	-----	-----	-----
DILUTED EARNINGS PER COMMON SHARE	\$0.63	\$0.28	\$0.91	\$0.64
	=====	=====	=====	=====
AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - BASIC	10,593	10,372	10,574	10,284
	=====	=====	=====	=====
AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - DILUTED	10,926	10,802	10,912	10,729
	=====	=====	=====	=====

L. B. Foster Company and Subsidiaries
Consolidated Balance Sheet
(In thousands)

	June 30, 2007	December 31, 2006
	-----	-----
ASSETS	(Unaudited)	
CURRENT ASSETS:		
Cash and cash items	\$1,387	\$1,309
Accounts and notes receivable:		
Trade	70,233	60,771
Other	52	779
Inventories	104,670	99,803
Current deferred tax assets	2,653	2,653
Other current assets	1,373	1,133
Prepaid income tax	123	836
	-----	-----
Total Current Assets	180,491	167,284
	-----	-----
OTHER ASSETS:		
Property, plant & equipment-net	48,530	49,919
Goodwill	350	350
Other intangibles - net	56	62
Investments	17,171	16,676
Deferred tax assets	1,293	1,149
Other non-current assets	315	393
	-----	-----
Total Other Assets	67,715	68,549
	-----	-----
	\$248,206	\$235,833
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities on long-term debt	\$3,227	\$3,105
Short-term borrowings	1,388	726
Accounts payable-trade and other	59,903	57,446
Accrued payroll and employee benefits	9,488	6,892
Current deferred tax liabilities	3,153	3,203
Other accrued liabilities	5,825	4,215
Current liabilities of discontinued operations	233	235
	-----	-----
Total Current Liabilities	83,217	75,822
	-----	-----
LONG-TERM BORROWINGS	36,830	39,161
	-----	-----
OTHER LONG-TERM DEBT	13,532	15,112
	-----	-----
DEFERRED TAX LIABILITIES	2,163	1,853
	-----	-----
OTHER LONG-TERM LIABILITIES	3,361	5,852
	-----	-----
STOCKHOLDERS' EQUITY:		
Class A Common stock	106	105
Paid-in capital	41,239	39,696
Retained earnings	68,551	58,843
Accumulated other comprehensive loss	(793)	(611)
	-----	-----
Total Stockholders' Equity	109,103	98,033
	-----	-----
	\$248,206	\$235,833
	=====	=====