UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

Form 10-Q

Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

For Quarter Ended June 30, 2003

Commission File Number 0-10436

L. B. Foster Company
(Exact name of Registrant as specified in its charter)

Pennsylvania 25-1324733
(State of Incorporation) (I. R. S. Employer Identification No.)

415 Holiday Drive, Pittsburgh, Pennsylvania 15220
(Address of principal executive offices) (Zip Code)

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

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 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 [ ]

Indicate by checkmark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes [ ] No [X]

Indicate the number of shares of each of the registrant's classes of common stock as of the latest practicable date.

Class	Outstanding at August 1, 2003
Common Stock, Par Value $.01	9,590,770 Shares

L.B. FOSTER COMPANY AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

L. B. FOSTER COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands)

	June 30, 2003	December 31, 2002
ASSETS	(Unaudited)	
Current Assets:		
Cash and cash equivalents	$2,319	$3,653
Accounts and notes receivable:		
Trade	44,047	39,294
Other	147	69
	44,194	39,363
Inventories	40,690	32,925
Current deferred tax assets	1,494	1,494
Other current assets	1,122	696
Current assets of discontinued operations	7	138
Total Current Assets	89,826	78,269
Property, Plant & Equipment - At Cost	72,937	72,023
Less Accumulated Depreciation	(37,944)	(35,940)
	34,993	36,083
Other Assets:		
Goodwill	350	350
Other intangibles - net	663	739
Investments	13,213	12,718
Deferred tax assets	4,436	4,454
Other assets	1,026	1,175
Assets of discontinued operations	1	196
Total Other Assets	19,689	19,632
TOTAL ASSETS	$144,508	$133,984
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Current maturities of long-term debt	$805	$825
Accounts payable - trade	34,354	24,094
Accrued payroll and employee benefits	2,602	2,413
Current deferred tax liabilities	1,474	1,474
Other accrued liabilities	3,591	2,695
Liabilities of discontinued operations	203	74
Total Current Liabilities	43,029	31,575
Long-Term Borrowings	21,000	23,000
Other Long-Term Debt	3,712	3,991
Deferred Tax Liabilities	4,195	4,195
Other Long-Term Liabilites	5,313	5,210
STOCKHOLDERS' EQUITY:		
Common stock	102	102
Paid-in capital	35,013	35,143
Retained earnings	36,128	35,208
Treasury stock	(3,253)	(3,629)
Accumulated other comprehensive loss	(731)	(811)
Total Stockholders' Equity	67,259	66,013
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$144,508	$133,984

See Notes to Condensed Consolidated Financial Statements.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
	(Unaudited)		(Unaudited)	
Net Sales	$75,796	$70,806	$135,315	$133,979
Cost of Goods Sold	66,600	62,106	119,186	118,484
Gross Profit	9,196	8,700	16,129	15,495
Selling and Administrative Expenses	6,830	6,518	13,397	12,891
Interest Expense	578	633	1,157	1,307
Other Income	(54)	(230)	(374)	(510)
	7,354	6,921	14,180	13,688
Income From Continuing Operations Before Income Taxes and Cumulative Effect of Change in Accounting Principle	1,842	1,779	1,949	1,807
Income Taxes	719	716	762	716
Income From Continuing Operations Before Cumulative Effect of Change in Accounting Principle	1,123	1,063	1,187	1,091
Discontinued Operations:				
Loss From Operations of Foster Technologies	(60)	(332)	(440)	(649)
Income Tax Benefit	(23)	-	(173)	-
Loss on Discontinued Operations	(37)	(332)	(267)	(649)
Cumulative Effect of Change in Accounting Principle, Net of Tax	-	-	-	(4,390)
Net Income (Loss)	$1,086	$731	$920	($3,948)
Basic Earnings (Loss) Per Common Share:				
From Continuing Operations Before Cumulative Effect of Change in Accounting Principle	$0.12	$0.11	$0.12	$0.12
From Discontinued Operations, Net of Tax	-	(0.03)	(0.03)	(0.07)
Cumulative Effect of Change in Accounting Principle, Net of Tax	-	-	-	(0.46)
Net Income (Loss)	$0.11	$0.08	$0.10	($0.42)
Diluted Earnings (Loss) Per Common Share:				
From Continuing Operations Before Cumulative Effect of Change in Accounting Principle	$0.12	$0.11	$0.12	$0.11
From Discontinued Operations, Net of Tax	-	(0.03)	(0.03)	(0.07)
Cumulative Effect of Change in Accounting Principle, Net of Tax	-	-	-	(0.46)
Net Income (Loss)	$0.11	$0.08	$0.10	($0.42)

See Notes to Condensed Consolidated Financial Statements.

L. B. FOSTER COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)

	Six Months Ended June 30, 2003	2002
	(Unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Income from continuing operations	$1,187	$1,091
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,597	2,444
Loss on sale of property, plant and equipment	6	19
Unrealized loss on derivative mark-to-market	110	-
Change in operating assets and liabilities:		
Accounts receivable	(4,831)	3,044
Inventories	(7,765)	7,885
Other current assets	(426)	(333)
Other noncurrent assets	(347)	(587)
Accounts payable - trade	10,260	(2,111)
Accrued payroll and employee benefits	189	(121)
Other current liabilities	786	(532)
Other liabilities	145	(20)
Net Cash Provided by Operating Activities	1,911	10,779
Net Cash Provided (Used) by Discontinued Operations	245	(620)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property, plant and equipment	2	238
Capital expenditures on property, plant and equipment	(1,281)	(2,929)
Acquisition of business	-	(2,214)
Net Cash Used by Investing Activities	(1,279)	(4,905)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayments of revolving credit agreement borrowings	(2,000)	(5,000)
Exercise of stock options and stock awards	246	168
Repayments of long-term debt	(457)	(243)
Net Cash Used by Financing Activities	(2,211)	(5,075)
Net (Decrease) Increase in Cash and Cash Equivalents	(1,334)	179
Cash and Cash Equivalents at Beginning of Period	3,653	4,222
Cash and Cash Equivalents at End of Period	$2,319	$4,401
Supplemental Disclosure of Cash Flow Information:		
Interest Paid	$1,071	$1,462
Income Taxes Paid	$260	$729

During the first six months of 2003 and 2002, the Company financed certain capital expenditures totaling $158,000 and $618,000, respectively, through the execution of capital leases.

See Notes to Condensed Consolidated Financial Statements.

L. B. FOSTER COMPANY AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all estimates and adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. However, actual results could differ from those estimates. The results of operations for interim periods are not necessarily indicative of the results that may be expected for the year ended December 31, 2003. Amounts included in the balance sheet as of December 31, 2002 were derived from our audited balance sheet. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 2002.

2. ACCOUNTING PRINCIPLES

In January 2003, the FASB issued FASB Interpretation No. 46, "Consolidation of Variable Interest Entities, and Interpretation of ARB No. 51", (FIN 46). FIN 46 requires certain variable interest entities to be consolidated by the primary beneficiary of the entity if the equity investors in the entity do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. FIN 46 is effective for all new variable interest entities created or acquired after January 31, 2003. For variable interest entities created or acquired prior to February 1, 2003, the provisions of FIN 46 must be applied at the first interim or annual period beginning after June 15, 2003. The Company has not identified any variable interest entities for which consolidation under FIN 46 is appropriate.

In April 2003, the FASB issued Statement of Financial Accounting Standards No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities," (SFAS 149). SFAS 149 amends and clarifies financial accounting and reporting for derivative instruments embedded in other contracts and for hedging activities under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." It is effective for contracts entered into or modified after June 30, 2003, except as stated within the statement, and should be applied prospectively. The Company does not expect this statement to have a material effect on its consolidated financial statements.

In June 2003, the FASB issued Statement of Financial Accounting Standards No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity," (SFAS 150). This standard requires that certain financial instruments embodying an obligation to transfer assets or to issue equity securities be classified as liabilities. It is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective July 1, 2003. This standard has no impact on the Company's financial statements.

Stock-based compensation

In December 2002, the FASB issued Statement of Financial Accounting Standards No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure - an amendment of FASB Statement No. 123" (SFAS 148) effective for fiscal years ending after December 31, 2002 and for interim periods beginning after December 15, 2002. This statement amends Statement of Financial Accounting Standards No. 123, "Accounting for Stock Stock-Based Compensation" (SFAS 123), to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, SFAS 148 amends the disclosure requirements of SFAS 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results.

The Company has adopted the disclosure provisions of SFAS 123 and applies the intrinsic value method of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB 25) and related interpretations in accounting for its stock option plans. Accordingly, no compensation expense has been recognized.

The following table illustrates the effect on the Company's income from continuing operations and earnings per share had compensation expense for the Company's stock option plans been applied using the method required by SFAS 123.

	Three Months Ended June 30,		Six Months Ended June 30,	
In thousands, except per share amounts	2003	2002	2003	2002
Net income from continuing operations, as reported	$1,123	$1,063	$1,187	$1,091
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects	-	-	-	-
Deduct: Total stock-based employee compensation expense determined under fair value method for all awards, net of related tax effects	79	93	141	151
Pro forma income from continuing operations	$1,044	$970	$1,046	$940
Earnings per share from continuing operations:				
Basic, as reported	$0.12	$0.11	$0.12	$0.12
Basic, pro forma	$0.11	$0.10	$0.11	$0.10
Diluted, as reported	$0.12	$0.11	$0.12	$0.11
Diluted, pro forma	$0.11	$0.10	$0.11	$0.10

Pro forma information regarding net income and earnings per share for options granted has been determined as if the Company had accounted for its employee stock options under the fair value method of Statement No. 123. The fair value of stock options used to compute pro forma net income and earnings per share disclosures is the estimated present value at grant date using the Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in the second quarter of 2003 and 2002, respectively: risk-free interest rates of 3.56% and 5.16%; dividend yield of 0.0% for both quarters; volatility factors of the expected market price of the Company's Common stock of .32 for both quarters; and a weighted-average expected life of the option of ten years. The weighted-average fair value of the options granted in the second quarter of 2003 and 2002 was $2.11 and $2.99, respectively. There were no stock options granted in the first quarter of 2003 or 2002.

3. ACCOUNTS RECEIVABLE

Credit is extended on an evaluation of the customer's financial condition and, generally, collateral is not required. Credit terms are consistent with industry standards and practices. Trade accounts receivable at June 30, 2003 and December 31, 2002 have been reduced by an allowance for doubtful accounts of ($1,072,000) and ($1,063,000), respectively. Bad debt expense was $85,000 and $82,000 for the six-month periods ended June 30, 2003 and 2002, respectively.

4. INVENTORIES

Inventories of the Company at June 30, 2003 and December 31, 2002 are summarized as follows in thousands:

	June 30, 2003	December 31, 2002
Finished goods	$26,296	$21,700
Work-in-process	10,818	6,343
Raw materials	5,425	6,731
Total inventories at current costs	42,539	34,774
(Less):		
LIFO reserve	(1,249)	(1,249)
Inventory valuation reserve	(600)	(600)
	$40,690	$32,925

Inventories of the Company are generally valued at the lower of last-in, first-out (LIFO) cost or market. Other inventories of the Company are valued at average cost or market, whichever is lower. An actual valuation of inventory under the LIFO method can be made only at the end of each year based on the inventory levels and costs at that time. Accordingly, interim LIFO calculations must necessarily be based on management's estimates of expected year-end levels and costs.

5. DISCONTINUED OPERATIONS

During the fourth quarter of 2002, the Company started negotiations and committed to a plan to sell the assets related to its rail signaling and communication device business and recorded a $660,000 non-cash impairment loss to adjust these assets to their fair value. In February 2003, substantially all of the assets of this business were sold for $300,000. The operations of the rail signaling and communication device business qualify as a "component of an entity" under Statement of Financial Accounting Standards No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets" and thus, the operations have been classified as discontinued, and prior periods have been restated. Future expenses related to this business as it winds down are expected to be immaterial.

Net sales and loss from discontinued operations were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
In thousands	2003	2002	2003	2002
Net sales	$ -	$ 16	$ 1	$ 16
Pretax operating loss	(60)	(332)	(370)	(649)
Pretax loss on disposal	-	-	(70)	-
Income tax benefit	23	-	173	-
Loss from discontinued operations	$ (37)	$ (332)	$ (267)	$ (649)

6. BORROWINGS

On September 26, 2002, the Company entered into a new credit agreement with a syndicate of three banks led by PNC Bank, N.A. The agreement provides for a revolving credit facility of up to $60,000,000 in borrowings to support the Company's working capital and other liquidity requirements.

The revolving credit facility, which matures in September 2005, is secured by substantially all of the inventory and trade receivables owned by the Company. Availability under the agreement is limited by the amount of eligible inventory and accounts receivable applied against certain advance rates. Proceeds from the new facility were used to repay and retire the Company's previous credit agreement, which was to mature in July 2003. Interest on the new credit facility is based on LIBOR plus a spread ranging from 1.75% to 2.50%.

The agreement includes financial covenants requiring a minimum net worth, a minimum level for the fixed charge coverage ratio and a maximum level for consolidated capital expenditures. The agreement also restricts investments, indebtedness, and the sale of certain assets. As of June 30, 2003, the Company was in compliance with all of the agreement's covenants.

7. EARNINGS (LOSS) PER COMMON SHARE

The following table sets forth the computation of basic and diluted earnings (loss) per common share:

(in thousands, except earnings per share)	Three Months Ended June 30, 2003	Three Months Ended June 30, 2002	Six Months Ended June 30, 2003	Six Months Ended June 30, 2002
Numerator:				
Numerator for basic and diluted earnings per common share - net income (loss) available to common stockholders:				
Income from continuing operations	$ 1,123	$ 1,063	$ 1,187	$ 1,091
Loss from discontinued operations	(37)	(332)	(267)	(649)
Cumulative effect of change in accounting principle	-	-	-	(4,390)
Net income (loss)	$ 1,086	$ 731	$ 920	$(3,948)
Denominator:				
Weighted average shares	9,568	9,495	9,546	9,468
Denominator for basic earnings per common share	9,568	9,495	9,546	9,468
Effect of dilutive securities:				
Contingent issuable shares	-	7	2	19
Employee stock options	103	220	85	205
Dilutive potential common shares	103	227	87	224
Denominator for diluted earnings per common share - adjusted weighted average shares and assumed conversions	9,671	9,722	9,633	9,692
Basic earnings (loss) per common share				
Continuing operations	$ 0.12	$ 0.11	$ 0.12	$ 0.12
Discontinued operations	-	(0.03)	(0.03)	(0.07)
Cumulative effect of change in accounting principle	-	-	-	(0.46)
Basic earnings (loss) per common share	$ 0.11	$ 0.08	$ 0.10	$ (0.42)
Diluted earnings (loss) per common share				
Continuing operations	$ 0.12	$ 0.11	$ 0.12	$ 0.11
Discontinued operations	-	(0.03)	(0.03)	(0.07)
Cumulative effect of change in accounting principle	-	-	-	(0.46)
Diluted earnings (loss) per common share	$ 0.11	$ 0.08	$ 0.10	$ (0.42)

8. COMMITMENTS AND CONTINGENT LIABILITIES

The Company is subject to laws and regulations relating to the protection of the environment and the Company's efforts to comply with environmental regulations may have an adverse effect on the Company's future earnings. In the opinion of management, compliance with the present environmental protection laws will not have a material adverse effect on the financial condition, results of operations, cash flows, competitive position, or capital expenditures of the Company.

The Company is subject to legal proceedings and claims that arise in the ordinary course of its business. In the opinion of management, these proceedings will not materially affect the financial position of the Company.

The Company was convicted in December 2000, after a jury trial in Houston, TX, of unlawful disposal of used oil and hazardous waste at its facility in Houston, TX, and was fined $20,000 for used oil conviction and $150,000 for hazardous waste conviction. The Texas Court of Appeals reversed the Company's conviction for the unlawful disposal of hazardous waste and upheld the conviction for the unlawful disposal of used oil. The Company has filed a further appeal on the used oil conviction and the State has filed an appeal from the reversal of the hazardous waste conviction.

At June 30, 2003, the Company had outstanding letters of credit of approximately $2,689,000.

9. BUSINESS SEGMENTS

The Company is organized and evaluated by product group, which is the basis for identifying reportable segments. The Company is engaged in the manufacture, fabrication and distribution of rail, construction and tubular products. The following tables illustrate revenues and profits/(losses) of the Company by segment:

	Three Months Ended, June 30, 2003		Six Months Ended, June 30, 2003	
(in thousands)	Net Sales	Segment Profit	Net Sales	Segment Profit
Rail products	$37,709	$1,195	$69,335	$1,876
Construction products	33,469	808	57,433	281
Tubular products	4,618	558	8,547	923
Total	$75,796	$2,561	$135,315	$3,080

	Three Months Ended, June 30, 2002		Six Months Ended, June 30, 2002	
(in thousands)	Net Sales	Segment Profit	Net Sales	Segment Profit/(Loss)
Rail products	$34,300	$142	$64,255	($242)
Construction products	31,975	709	62,009	816
Tubular products	4,531	476	7,715	621
Total	$70,806	$1,327	$133,979	$1,195

Foster Technologies, the Company's rail signaling and communications device business, was classified as a discontinued operation on December 31, 2002. Prior period results have been adjusted to reflect this classification. See Note 5, "Discontinued Operations".

Segment profits, as shown above, include internal cost of capital charges for assets used in the segment at a rate of, generally, 1-% per month. There has been no change in the measurement of segment profit/(loss) from December 31, 2002.

The following table provides a reconciliation of reportable net profit/(loss) to the Company's consolidated total:

(in thousands)	Three Months Ended June 30, 2003	2002	Six Months Ended June 30, 2003	2002
Income for reportable segments	$2,561	$1,327	$3,080	$1,195
Cost of capital for reportable segments	2,662	2,546	5,087	5,262
Interest expense	(578)	(633)	(1,157)	(1,307)
Other income	54	230	374	510
Corporate expense and other unallocated charges	(2,857)	(1,691)	(5,435)	(3,853)
Income from continuing operations, before income taxes and cumulative effect of change in accounting principle	$1,842	$1,779	$1,949	$1,807

10. COMPREHENSIVE INCOME (LOSS)

Comprehensive income (loss) represents net income (loss) plus certain stockholders' equity changes not reflected in the Condensed Consolidated Statements of Operations. The components of comprehensive income (loss), net of tax, were as follows:

(in thousands)	Three Months Ended June 30, 2003	2002	Six Months Ended June 30, 2003	2002
Net income (loss)	$1,086	$731	$920	($3,948)
Unrealized derivative gains (losses) on cash flow hedges (SFAS No. 133)	14	(95)	24	82
Foreign currency translation gains	-	30	8	-
Reclassification adjustment for foreign currency translation losses included in net income	-	-	48	-
Comprehensive income (loss)	$1,100	$666	$1,000	($3,866)

The change in accumulated other comprehensive loss through June 30, 2003, is comprised solely of unrealized derivative gains on the Company's interest rate swap agreement.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
	(Dollars in thousands)			
Net Sales:				
Rail Products	$37,709	$34,300	$69,335	$64,255
Construction Products	33,469	31,975	57,433	62,009
Tubular Products	4,618	4,531	8,547	7,715
Total Net Sales	$75,796	$70,806	$135,315	$133,979
Gross Profit:				
Rail Products	$4,222	$3,520	$8,008	$6,372
Construction Products	4,357	4,597	7,163	8,244
Tubular Products	1,050	930	1,852	1,481
Other	(433)	(347)	(894)	(602)
Total Gross Profit	9,196	8,700	16,129	15,495
Expenses:				
Selling and admin-istrative expenses	6,830	6,518	13,397	12,891
Interest expense	578	633	1,157	1,307
Other income	(54)	(230)	(374)	(510)
Total Expenses	7,354	6,921	14,180	13,688
Income From Continuing Operations Before Income Taxes and Cumulative Effect of Change in Accounting Principle	1,842	1,779	1,949	1,807
Income Tax Expense	719	716	762	716
Income From Continuing Operations Before Cumulative Effect of Change in Accounting Principle	1,123	1,063	1,187	1,091
Discontinued Operations:				
Loss From Operations of Foster Technologies	(60)	(332)	(440)	(649)
Income Tax Benefit	(23)	-	(173)	-
Loss From Discontinued Operations	(37)	(332)	(267)	(649)
Cumulative Effect of Change in Accounting Principle, Net of Tax	-	-	-	(4,390)
Net Income (Loss)	$1,086	$731	$920	($3,948)
Gross Profit %:				
Rail Products	11.2%	10.3%	11.5%	9.9%
Construction Products	13.0%	14.4%	12.5%	13.3%
Tubular Products	22.7%	20.5%	21.7%	19.2%
Total Gross Profit	12.1%	12.3%	11.9%	11.6%

Second Quarter 2003 Results of Operations

The Company's second quarter income from continuing operations was $1.1 million ($0.12 per share) on net sales of $75.8 million. During the second quarter of 2002, income from continuing operations was $1.1 million ($0.11 per share) on net sales of $70.8 million.

Including a minimal net loss from the discontinued operations of the Company's Foster Technologies subsidiary, net income for the second quarter of 2003 was $1.1 million ($0.11 per share). During the same period last year, the Company had net income of $0.7 million ($0.08 per share) which included a $0.3 million ($0.03 per share) loss from discontinued operations.

Net sales for the second quarter of 2003 improved 7.0% compared to the same period in 2002. Sales in all segments of the Company improved in comparison to last year's second quarter. The greatest improvement was a 10% increase in Rail segment sales as revenue recognized for transit products and welded rail projects increased. Construction products' net sales increased 4.7% to $33.5 million, primarily due to an increase in revenue recognized for mechanically stabilized earth retention systems. Sheet piling sales also contributed to the Construction segment revenue increase. Tubular products' sales increased 1.9% compared to last year's second quarter due primarily to an improved energy market.

The Company's gross profit margin was 12.1% in the second quarter of 2003 compared to 12.3% in the same period last year. Rail products' profit margin increased by 0.9 percentage points due primarily to an improvement in margin for concrete rail products. The 1.4 percentage point decline in Construction products' margin was due primarily to increased competition in the fabricated products market and lower margins on revenues recognized for mechanically stabilized earth wall systems. Tubular products' 2.2 percentage point increase in gross margin was primarily due to a decline in raw material cost for coated pipe products.

Selling and administrative expenses increased $0.3 million, or approximately 5% compared to the second quarter of 2002, primarily due to additions to the sales force and related employee benefits, along with higher insurance costs. Second quarter interest expense declined 9% from the prior year due principally to an $8.4 million reduction in corporate debt. Other income declined $0.2 million primarily as a result of the mark-to-market adjustments recorded by the Company related to its interest rate collars.

The second quarter 2003 effective tax rate for continuing operations was 39% compared to 40% in last year's second quarter.

First Six Months of 2003 Results of Operations

For the first six months of 2003, income from continuing operations was $1.2 million ($0.12 per diluted share) on net sales of $135.3 million. During the same period last year, income from continuing operations was $1.1 million ($0.11 per diluted share) on net sales of $134.0 million.

Including a $0.3 million ($0.3 per share) net loss from the discontinued operations of Foster Technologies, net income for the six months ended June 30, 2003 was $0.9 million ($0.10 per share). This compares favorably to a net loss of $3.9 million ($0.42 per share) for the same period of 2002. The 2002 period included a loss from discontinued operations of $0.6 million ($0.07 per share) and a non-cash charge of $4.4 million ($0.46 per share) from the adoption of Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets".

Year to date sales increased $1.3 million compared to sales in the first half of 2002. Rail products' 2003 net sales increased 7.9% to $69.3 million compared to the same period of 2002. Many of the rail divisions had an increase in revenues, particularly the transit products division. Net sales of Construction products declined $4.6 million, or 7.4%, in the year to date comparison. A decline in government spending for infrastructure projects due to state budget shortfalls had a direct effect on the Fabricated Products division, while the late awarding of certain 2003 state contracts contributed to a decline in concrete building sales.

A weaker market for H-bearing pile in the first half of 2003 also had a negative impact on the Piling division's sales. Tubular products' sales increased 10.8% to $8.5 million due to a stronger energy market.

The gross margin percentage for the Company was 11.9% in the first six months of 2003 compared to 11.6% in the same period of 2002. Rail products' margin improved to 11.5% from 9.9% due to favorable job close-outs in the relay rail division, and more efficient track panel, trackwork, and concrete rail operations. Construction product's margin declined to 12.5% due to the competitive market created by a reduction in state spending for infrastructure projects. Tubular products' gross margin percentage increased to 21.7% as a result of lower raw material costs and the mix of products sold.

During the first six months of 2003, selling and administrative expenses increased $0.5 million or 4% over the prior year period. As mentioned previously, the increase can be attributed primarily to additions to the sales force and related employee benefits, along with increased insurance costs. Interest expense fell 11.5% as a result of the reduction in debt. The 2003 reduction of "other income" (comprised primarily of accrued dividend income on DM&E Preferred stock) resulted from losses on mark-to-market adjustments recorded by the Company related to its interest rate collars.

Liquidity and Capital Resources

The Company generates operational cash flow from the sale of inventory and the collection of accounts receivable. Cash flow from operations remained positive for the six months ended June 30, 2003 and combined with cash on hand from 2002, was adequate enough to fund a $2.3 million reduction in corporate borrowings from December 31, 2002. During the first half of 2003, the average turnover rate for accounts receivable was higher than during the same period a year ago due to increased collections. The average inventory turnover rate in the current period declined slightly from the average rate for the same period of 2002 as a result of lower Construction segment sales related to the previously mentioned drop in government funding of infrastructure projects. Working capital at June 30, 2003 was $46.8 million compared to $46.7 million at December 31, 2002.

The Company's Board of Directors has authorized the purchase of up to 1,500,000 shares of its Common stock at prevailing market prices. No purchases have been made since the first quarter of 2001. From August 1997 through March 2001, the Company had repurchased 973,398 shares at a cost of approximately $5.0 million. The timing and extent of future purchases will depend on market conditions and options available to the Company for alternate uses of its resources.

Capital expenditures were $1.3 million for the six months ended June 30, 2003, compared to $2.9 million for capital improvements and $2.2 million for the Greulich acquisition in the same period of 2002. Capital expenditures for 2003, excluding acquisitions, are expected to be approximately $5.0 million and funded by cash flow from operations and available external financing sources.

On September 26, 2002, the Company entered into a credit agreement with a syndicate of three banks led by PNC Bank, N.A. This new agreement provides for a revolving credit facility of up to $60.0 million in borrowings to support the Company's working capital and other liquidity requirements. The revolving credit facility, which matures in September 2005, is secured by substantially all of the inventory and trade receivables owned by the Company. Availability under this agreement is limited by the amount of eligible inventory and accounts receivable applied against certain advance rates. Proceeds from the new facility were used to repay and retire the Company's previous credit agreement, which was to mature in July 2003. Interest on the new credit facility is based on LIBOR plus a spread ranging from 1.75% to 2.5%.

The agreement includes financial covenants requiring a minimum net worth and a minimum level for the fixed charge coverage ratio. The agreement also restricts investments, indebtedness, and the sale of certain assets. As of June 30, 2003, the Company was in compliance with all of the agreement's covenants.

Total revolving credit agreement borrowings at June 30, 2003 were $21.0 million, a decrease of $2.0 million from December 31, 2002. At June 30, 2003, remaining available borrowings under this facility were

approximately $21.4 million. Outstanding letters of credit at June 30, 2003 were approximately $2.7 million. The letters of credit expire annually and are subject to renewal. Management believes its internal and external sources of funds are adequate to meet anticipated needs.

Dakota, Minnesota & Eastern Railroad

The Company maintains a significant investment in the Dakota, Minnesota & Eastern Railroad Corporation (DM&E), a privately held, regional railroad, which controls over 2,500 miles of track in eight states.

At June 30, 2003, the Company's investment was comprised of $0.2 million of DM&E common stock, $1.5 million of Series B Preferred Stock and warrants, $6.0 million of Series C Preferred Stock and warrants, $0.8 million of Preferred Series C-1 Stock and warrants, and $0.5 million of Series D Preferred Stock and warrants. In addition, the Company has a receivable for accrued dividend income on Preferred Stock of approximately $4.2 million.

On July 30, 2002, the DM&E announced the acquisition of a 1,400 mile regional railroad formerly owned by the I&M Rail Link, LLC. The Company participated in the financing of this acquisition with a $0.5 million investment in Series D Preferred Stock and warrants. On a fully diluted basis, the Company's ownership in the DM&E is approximately 13.6%.

In June 1997, the DM&E announced its plan to build an extension from the DM&E's existing line into the low sulfur coal market of the Powder River Basin in Wyoming and to rebuild approximately 600 miles of its existing track (the Project). The estimated cost of this project is expected to be in excess of $2.0 billion. The Project received final approval by the Surface Transportation Board (STB) in January 2002. Litigation has been initiated appealing the STB's approval of the Project. The DM&E does not believe litigation enforcing an eminent domain statute will affect the Project.

If the Project proves to be viable, management believes that the value of the Company's investment in the DM&E could increase significantly. If the Project does not come to fruition, management believes that the value of the Company's investment is supported by the DM&E's existing business.

Other Matters

During the first quarter of 2003, the Company finalized the sale of certain assets and liabilities of its Foster Technologies subsidiary engaged in the rail signaling and communication device business. The first quarter 2003 loss from this business, which has been classified as a discontinued operation, was principally due to losses incurred up to the sale date as well as certain charges taken primarily related to employee severance costs and an accrual for the remaining lease obligation. The second quarter loss from this business was immaterial, and future expenses related to the shutdown of this business are also expected to be immaterial.

The Company has a $1.6 million valuation allowance related to prior net operating losses from this discontinued operation. The Company believes that the dissolution of this operation may result in the recognition of some portion of these net operating losses and the release of the associated valuation allowance. The final shutdown and dissolution of this subsidiary is expected in 2003.

Specialty trackwork sales of the Company's Rail segment depend primarily on one supplier. In 2002, the Company wrote off a $1.9 million investment and $5.4 million of advances related to this supplier. During the first half of 2003 and 2002, the volume of business the supplier conducted with the Company was approximately $6.6 million and $6.8 million, respectively, although the Company expects future activity in this market to decrease significantly. If, for any reason, this supplier is unable to perform, it could have a further negative impact on earnings and cash flows.

Operations at the Company's Newport, KY pipe-coating facility were suspended in 1998 in response to unfavorable market conditions. In 1999, the Company recorded an impairment loss to reduce the assets related to this operation to their anticipated market value. The anticipated 2002 sale of these assets, which consist of machinery and equipment, did not

materialize. Therefore, during the fourth quarter of 2002, the Company removed the "held for resale" designation of these assets, reclassified them as "in service", and in accordance with SFAS 144, immediately recorded a $0.8 million write-down to reflect depreciation not recorded while under the "held for resale" designation. In August 2003, the Company reached an agreement to sell, modify and install the machinery and equipment. The Company expects to record a gain upon successful installation of this equipment and anticipates completing its obligations within the next six months.

Outlook

The Company has an exclusive agreement with a steel mill to distribute steel sheet piling in North America. Sheet piling production commenced in 2001 but the quantity produced had not materially impacted results until the second quarter of 2003. Going forward, the Piling division expects earnings will improve from a consistent supply of sheet piling from this mill.

The Company's CXT subsidiary and Allegheny Rail Products division are dependent on a Class I railroad for a significant portion of their business. The Company has a contract with this Class I railroad which provides for minimum quantities of concrete ties per contract year expiring in September 2003. Although the contract is not expected to be renewed before its expiration, the Company anticipates it will continue to sell ties to the railroad at reduced volumes.

A substantial portion of the Company's operations is heavily dependent on governmental funding of infrastructure projects. Significant changes in the level of government funding of these projects could have a favorable or unfavorable impact on the operating results of the Company. Additionally, government actions concerning taxation, tariffs, the environment, or other matters could impact the operating results of the Company. The Company's operating results may also be affected by adverse weather conditions.

Although backlog is not necessarily indicative of future operating results, total Company backlog at June 30, 2003, was approximately $120.2 million. The following table provides the backlog by business segment:

	Backlog		
(In thousands)	June 30, 2003	December 31, 2002	June 30, 2002
Rail Products	$41,023	$45,371	$58,829
Construction Products	74,780	59,774	69,262
Tubular Products	4,421	3,995	2,791
Total	$120,224	$109,140	$130,882

The reduction in Rail segment backlog from June 30, 2002 reflects the absence of firm renewal commitments on contracts under negotiation and a reduction in specialty trackwork backlog.

Critical Accounting Policies

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States. When more than one accounting principle, or method of its application, is generally accepted, management selects the principle or method that is appropriate in the Company's specific circumstances. Application of these accounting principles requires management to make estimates about the future resolution of existing uncertainties. As a result, actual results could differ from these estimates. In preparing these financial statements, management has made its best estimates and judgments of the amounts and disclosures included in the financial statements giving due regard to materiality. There have been no material changes in the Company's policies or estimates since December 31, 2002. For more information regarding the Company's critical accounting policies, please see the

discussion in Management's Discussion & Analysis of Financial Condition and Results of Operations in Form 10-K for the year ended December 31, 2002.

New Accounting Pronouncements

In June 2002, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 146, "Accounting for Costs Associated with Exit or Disposal Activities" (SFAS 146), effective for exit or disposal activities initiated after December 31, 2002, with earlier adoption encouraged. This statement supercedes EITF Issue No. 94-3, "Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)". SFAS 146 requires that a liability for a cost associated with an exit or disposal activity be recognized when the liability is incurred, rather than at the date of an entity's commitment to an exit plan. The Company has adopted this standard and it did not have a material effect on its consolidated financial statements.

In December 2002, the FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure - an amendment of FASB Statement No. 123" (SFAS 148) effective for fiscal years ending after December 31, 2002. This statement amends Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" (SFAS 123), to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, SFAS 148 amends the disclosure requirements of SFAS 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results.

The Company has adopted the disclosure provisions of SFAS 123, and applies the intrinsic value method of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB 25) and related interpretations in accounting for its stock option plans. However, the Company has adopted the enhanced disclosure provisions as defined in SFAS 148 effective for the first quarter ended March 31, 2003.

In January 2003, the FASB issued FASB Interpretation No. 46, "Consolidation of Variable Interest Entities, and Interpretation of ARB No. 51", (FIN 46). FIN 46 requires certain variable interest entities to be consolidated by the primary beneficiary of the entity if the equity investors in the entity do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. FIN 46 is effective for all new variable interest entities created or acquired after January 31, 2003. For variable interest entities created or acquired prior to February 1, 2003, the provisions of FIN 46 must be applied at the first interim or annual period beginning after June 15, 2003. The Company has not identified any variable interest entities for which consolidation under FIN 46 is appropriate.

In April 2003, the FASB issued Statement of Financial Accounting Standards No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities," (SFAS 149). SFAS 149 amends and clarifies financial accounting and reporting for derivative instruments embedded in other contracts and for hedging activities under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." It is effective for contracts entered into or modified after June 30, 2003, except as stated within the statement, and should be applied prospectively. The Company does not expect this statement to have a material effect on its consolidated financial statements.

In June 2003, the FASB issued Statement of Financial Accounting Standards No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity," (SFAS 150). This standard requires that certain financial instruments embodying an obligation to transfer assets or to issue equity securities be classified as liabilities. It is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective July 1, 2003. This standard has no impact on the Company's financial statements.

Market Risk and Risk Management Policies

The Company uses derivative financial instruments to manage interest rate exposure on variable-rate debt, primarily by using interest rate collars and variable interest rate swaps. In conjunction with the Company's debt refinancing in the third quarter of 2002, the Company discontinued cash flow hedge accounting treatment for its interest rate collars and has applied mark-to-market accounting prospectively. Although these derivatives are not deemed to be effective hedges of the new credit facility in accordance with the provisions of SFAS 133, the Company has retained these instruments as protection against interest rate risk associated with the new credit agreement and the Company will continue to record the mark-to-market adjustments on the interest rate collars, through 2006, in its consolidated income statement. The fair value of the interest rate collars on June 30, 2003 was a $2,342,000 liability and the company recorded approximately $121,000 of expense in "other income" in the second quarter of 2003 on the Condensed Consolidated Statements of Operations to adjust these instruments to fair value. For the six months ended June 30, 2003, the Company has recorded $110,000 of expense in "other income" to adjust these instruments to fair value. The Company continues to apply cash flow hedge accounting to interest rate swaps.

The Company recognizes all derivative instruments on the balance sheet at fair value. Fluctuations in the fair values of derivative instruments designated as cash flow hedges are recorded in accumulated other comprehensive income (loss), and reclassified into earnings as the underlying hedged items affect earnings. To the extent that a change in interest rate derivative does not perfectly offset the change in value of the interest rate being hedged, the ineffective portion is recognized in earnings immediately.

The Company's primary source of variable-rate debt comes from its revolving credit agreement. While not specifically correlated with the revolving credit agreement, the Company maintains an economic hedge of this variable rate through the maintenance of two interest rate collar agreements with a weighted average minimum annual interest rate of 4.99% to a maximum weighted average annual interest rate of 5.42%. Since the interest rate on the debt floats with the short-term market rate of interest, the Company is exposed to the risk that these interest rates may decrease below the minimum annual interest rates on the two interest rate collar agreements. The effect of a 1% decrease in rate of interest below the 4.99% weighted average minimum annual interest rate on $21.0 million of outstanding floating rate debt would result in increased annual interest costs of approximately $0.2 million.

The Company is not subject to significant exposures to changes in foreign currency exchange rates.

See the Company's Annual Report on Form 10-K for more information on the Company's derivative financial instruments.

Forward-Looking Statements

Statements relating to the potential value or viability of the DM&E or the Project, or management's belief as to such matters, are forward-looking statements and are subject to numerous contingencies and risk factors. The Company has based its assessment on information provided by the DM&E and has not independently verified such information. In addition to matters mentioned above, factors which can adversely affect the value of the DM&E, its ability to complete the Project or the viability of the Project include the following: labor disputes, the outcome of certain litigation, any inability to obtain necessary environmental and government approvals for the Project in a timely fashion, the DM&E's ability to continue to obtain interim funding to finance the Project, the expense of environmental mitigation measures required by the Surface Transportation Board, an inability to obtain financing for the Project, competitors' response to the Project, market demand for coal or electricity and changes in environmental laws and regulations.

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 made from time to time in news

releases, reports, proxy statements, registration statements and other written communications (including the preceding sections of this Management's Discussion and Analysis), as well as oral statements, such as references made to the future profitability, made from time to time by representatives of the Company. Additional delays in a Virginia steel mill's production of sheet piling products, or failure to produce substantial quantities of sheet piling products could adversely impact the Company's earnings. The inability to satisfy the installation requirements of the sales agreement for the pipe coating equipment could have an adverse effect on future results. The inability to successfully negotiate a new sales contract with a current Class I railroad customer could have a negative impact on the operating results of the Company. Except for historical information, matters discussed in such oral and written communications are forward-looking statements that involve risks and uncertainties, including but not limited to general business conditions, the availability of material from major suppliers, the impact of competition, the seasonality of the Company's business, the adequacy of internal and external sources of funds to meet financing needs, taxes, inflation and governmental regulations. Sentences containing words such as "anticipates", "expects", or "will" generally should be considered forward-looking statements.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See the "Market Risk and Risk Management Policies" section under Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations.

Item 4. CONTROLS AND PROCEDURES

a) Within the 90 days prior to the date of this report, L. B. Foster Company (the Company) carried out an evaluation, under the supervision and with the participation of the Company's management, including the President and Chief Executive Officer along with the Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-14. Based upon that evaluation, the President and Chief Executive Officer, along with the Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective to timely alert them to material information relating to the Company (including its consolidated subsidiaries) required to be included in the Company's periodic SEC filings.

b) There have been no significant changes in the Company's internal controls or in other factors that could significantly affect internal controls subsequent to the date the Company carried out this evaluation.

PART II OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

See Note 8, "Commitments and Contingent Liabilities", to the Condensed Consolidated Financial Statements.

Item 4. RESULTS OF VOTES OF SECURITY HOLDERS

At the Company's annual meeting on May 13, 2003, the following individuals were elected to the Board of Directors:

Name	For Election	Withheld Authority
Lee B. Foster II	8,894,056	591,933
Stan L. Hasselbusch	8,894,041	591,948
Henry J. Massman IV	9,394,302	91,687
Diane B. Owen	9,395,608	90,381
John W. Puth	9,370,520	115,469
William H. Rackoff	9,394,302	91,687

The stockholders voted to approve Ernst & Young LLP as the Company's independent auditors for the fiscal year ended December 31, 2003. The following table sets forth the results of the vote for independent auditors:

For Approval	Against Approval	Abstained
8,054,741	768,979	662,269

The stockholders also voted to approve the outside directors' stock award plan. The following table sets forth the results of the vote for the plan:

For Approval	Against Approval	Abstained
9,319,724	72,270	93,995

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

a) EXHIBITS

Unless marked by an asterisk, all exhibits are incorporated by reference:

3.1	Restated Certificate of Incorporation, filed as Exhibit 3.1 to Form 10-Q for the quarter ended March 31, 2003.
3.2	Bylaws of the Registrant, as amended to date, filed as Exhibit 3.2 to Form 10-K for the year ended December 31, 2002.
4.0	Rights Amendment, dated as of May 15, 1997 between L. B. Foster Company and American Stock Transfer & Trust Company, including the form of Rights Certificate and the Summary of Rights attached thereto, filed as Exhibit 4.0 to Form 10-K for the year ended December 31, 2002.
4.0.1	Amended Rights Agreement dated as of May 14, 1998 between L. B. Foster Company and American Stock Transfer and Trust Company, filed as Exhibit 4.0.1 to Form 10-Q for the quarter ended March 31, 2003.
4.0.2	Revolving Credit and Security Agreement dated as of September 26, 2002, between L. B. Foster Company and PNC Bank, N. A., filed as Exhibit 4.0.2 to Form 10-Q for the quarter ended September 30, 2002.
10.12	Lease between CXT Incorporated and Pentzer Development Corporation, dated April 1, 1993, filed as Exhibit 10.12 to Form 10-K for the year ended December 31, 1999.
10.12.1	Amendment dated March 12, 1996 to lease between CXT Incorporated and Pentzer Corporation, filed as Exhibit 10.12.1 to Form 10-K for the year ended December 31, 1999.
10.12.2	Amendment dated November 7, 2002 to lease between CXT Incorporated and Pentzer Development Corporation, filed as Exhibit 10.12.2 to Form 10-K for the year ended December 31, 2002.
10.13	Lease between CXT Incorporated and Crown West Realty, L. L. C., dated December 20, 1996, filed as Exhibit 10.13 to Form 10-K for the year ended December 31, 1999.
10.13.1	Amendment dated June 29, 2001 between CXT Incorporated and Crown West Realty, filed as Exhibit 10.13.1 to Form 10-K for the year ended December 31, 2002.
10.14	Lease between CXT Incorporated and Pentzer Development Corporation, dated November 1, 1991 and filed as Exhibit 10.14 to Form 10-K for the year ended December 31, 1999.
10.15	Lease between CXT Incorporated and Union Pacific Railroad Company, dated February 13, 1998, and filed as Exhibit 10.15 to Form 10-K for the year ended December 31, 1999.
10.17	Lease between Registrant and the City of Hillsboro, TX dated February 22, 2002, filed as Exhibit 10.17 to Form 10-K for the year ended December 31, 2002.
10.19	Lease between Registrant and American Cast Iron Pipe Company for a pipe-coating facility in Birmingham, AL dated December 11, 1991, filed as Exhibit 10.19 to Form 10-K for the year ended December 31, 2002.
10.19.1	Amendment to Lease between Registrant and American Cast Iron Pipe Company for pipe-coating facility in Birmingham, AL dated November 15, 2000, and filed as Exhibit 10.19.2 to Form 10-K for the year ended December 31, 2000.
10.21	Stock Purchase Agreement, dated June 3, 1999 by and among the Registrant and the shareholders of CXT Incorporated, filed as Exhibit 10.0 to Form 8-K on July 14, 1999.
10.33.2	Amended and Restated 1985 Long-Term Incentive Plan as of February 26, 1997, filed as Exhibit 10.33.2 to Form 10-Q for the quarter ended March 31, 2003. **

10.34 Amended and Restated 1998 Long-Term Incentive Plan as of February 2, 2001, filed as Exhibit 10.34 to Form 10-K for the year ended December 31, 2000. **

10.45 Medical Reimbursement Plan, filed as Exhibit 10.45 to Form 10-K for the year ended December 31, 2002. **

10.46 Leased Vehicle Plan as amended and restated on October 16, 2002, filed as Exhibit 10.46 to Form 10-Q for the quarter ended September 30, 2002. **

10.51 Supplemental Executive Retirement Plan, filed as Exhibit 10.51 to Form 10-K for the year ended December 31, 2002. **

10.52 Outside Directors' Stock Award Plan, filed as Exhibit 10.52 to Form 10-K for the year ended December 31, 2002. **

* 10.53 Directors' resolutions dated May 13, 2003, under which directors' compensation was established. **

* 10.54 Management Incentive Compensation Plan for 2003. **

19 Exhibits marked with an asterisk are filed herewith.

* 31.1 Certification of Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002.

* 31.2 Certification of Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002.

* 32.1 Certification of Chief Executive Officer under Section 906 of the Sarbanes-Oxley Act of 2002.

* 32.2 Certification of Chief Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002.

** Identifies management contract or compensatory plan or arrangement required to be filed as an Exhibit.

b) Reports on Form 8-K

On April 23, 2003, the Registrant filed a current report on Form 8-K under Item 9 FD disclosure announcing first quarter results.

On July 23, 2003, the Registrant filed a current report on Form 8-K under Item 9 FD disclosure announcing second quarter results.

SIGNATURE

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

L.B. FOSTER COMPANY
(Registrant)

Date: August 13, 2003

By:/s/David J. Russo

David J. Russo
Senior Vice President,
Chief Financial Officer and Treasurer
(Duly Authorized Officer of Registrant)

L. B. FOSTER COMPANY 2003
MANAGEMENT INCENTIVE COMPENSATION PLAN

I. PURPOSE

To provide incentives and rewards to salaried non-sales managers based upon overall corporate profitability and the performance of individual operating units.

II. CERTAIN DEFINITIONS

The terms below shall be defined as follows for the purposes of the L. B. Foster Company 2003 Management Incentive Compensation Plan. The definitions shall be subject to such adjustments as, from time to time, may be made, by the Committee.

2.1 "Adjusted Operating Unit Target Award" shall be a Participant's Operating Unit Target Award multiplied by the applicable Operating Unit Performance Percentage determined under Section 3.5B(b).

2.2 "Base Compensation" shall mean the total base salary, rounded to the nearest whole dollar, actually paid to a Participant during 2003, excluding payment of overtime, incentive compensation, commissions, reimbursement of expenses, severance, car allowances or any other payments not deemed part of a Participant's base salary; provided, however, that the Participant's contributions to the Corporation's Voluntary Investment Plan shall be included in Base Compensation. Base Compensation for employees who die, retire or are terminated shall include only such compensation paid to such employee during 2003 with respect to the period prior to death, retirement or termination.

2.3 "Base Fund" shall mean the aggregate amount of all cash payments to be made pursuant to this Plan which amount shall be determined pursuant to Section 3.1 hereof.

2.4 "Committee" shall mean the Personnel and Compensation Committee of the Board of Directors and any successors thereto.

2.5 "Corporation" shall mean L. B. Foster Company and those subsidiaries thereof in which L.B. Foster Company owns 100% of the outstanding common stock, excluding (except for the purpose of calculating "Pre-Incentive Income") Natmaya, Inc., Fosmart, Inc. and Foster Technologies.

2.6 "Fund" shall mean the aggregate amount of all payments made to Plan Participants under this Plan, after deducting all discretionary payments made pursuant to Section 3.3 hereof.

2.7 "Individual Incentive Award" shall mean the amount paid to a Participant pursuant to this Plan, which amount shall be determined pursuant to Section 3.5 hereof and which award shall not exceed twice the amount of a Participant's Target Award. In addition, the portion of an Individual Incentive Award derived from the Product Pool should not exceed the portion of the Target Award allocated to the Product Pool multiplied by a percentage equal to twice the percentage of Target Award paid to Participants in the General Pool. The limitations herein shall not affect amounts distributed under Section 3.3.

2.8 "Operating Unit" shall mean the following units or divisions which are reported in the Company's internal financial statements: CXT Rail, CXT Buildings, Foster Coated Pipe, Threaded Products, Rail Products (excluding CXT Rail), Piling, Fabricated Products and Geotech, subject to such adjustments as may be made by the Chief Executive Officer.

2.9 "Operating Unit Target Award" shall mean the portion of a Participant's Target Award allocated to a specific Operating Unit pursuant to Section 3.5B(a).

2.10 "Operating Unit Performance Percentage" shall mean the sum of the percentages earned by the applicable Operating Unit pursuant to Section 3.5B(b).

2.11 "Participant" shall mean a salaried employee of the Corporation who satisfies all of the eligibility requirements set forth in Article IV hereof.

2.12 "Performance Percentage" shall be each of the Percentages earned by an Operating Unit under Section 3.5(B)(b) and which together equal the Operating Unit Performance Percentage.

2.13 "Plan" shall mean the L. B. Foster Company 2003 Management Incentive Compensation Plan, which Plan shall be in effect only with respect to the fiscal year ending December 31, 2003.

2.14 "Planned Income" shall mean Pre-Incentive Income of $6,885,000

2.15 "Planned Contribution" shall mean $895,000.

2.16 "Pool" shall mean the Product Pool and the General Pool, as calculated pursuant to Section 3.4 hereof, subject to such adjustments as may be made by the Chief Executive Officer.

2.17 "Pre-Incentive Income" shall mean the audited pre-tax income, after, inter alia, deductions for benefits payable under the 2003 Sales Incentive Plans, of the Corporation for the fiscal year ending December 31, 2003 determined in accordance with generally-accepted accounting principles, excluding (i) benefits payable under this Plan; and (ii) any portion of gains or losses arising from transactions not in the ordinary course of business which the Committee, in its sole discretion, determines to exclude.

2.18 "Pre-Tax Income" shall mean an Operating Unit's Pre-Tax Income as shown in the Corporation's financial statements and subject to such adjustments as may be made by the Chief Executive Officer, without taking into account incentive compensation under the 2003 Sales Incentive Plan.

2.19 "Target Award" shall mean the product of a Participant's Base Compensation multiplied by said Participant's Target Percentage.

2.20 "Target Percentage" shall mean those percentages assigned to Participants pursuant to Section 3.2 hereof.

III. PLAN DESCRIPTION

3.1 Base Fund. The amount of the Base Fund shall be calculated based upon the percentage of Pre-Incentive Income to Planned Income, calculated as follows:

I	II	III
Pre-Incentive Income as Percentage of Planned Income ($6,885,000)	Percentage of Planned Contribution ($895,000) to be Made	Base Fund
70%	50%	$ 447,500
75%	60%	537,000
80%	70%	626,500
85%	78%	698,100
90%	86%	769,700
95%	93%	832,350
100%	100%	895,000
105%	110%	984,500
110%	120%	1,074,000
115%	130%	1,163,500
120%	140%	1,253,000
125%	150%	1,342,500
130%	160%	1,432,000
135%	170%	1,521,500
140%	180%	1,611,000
145%	190%	1,700,500
150% and above	200% plus 26% of Pre-tax Income over $10,327,500	$1,790,000 and up

The Percentage of Planned Contribution Percentage in Column II will not increase until the next specified level of Pre-Incentive Income as Percentage of Planned Income in Column I has been achieved.

Example: If the Corporation earned $11,500,000 in Pre-Incentive Income the Base Fund would be $2,094,850:

a. Determine Percentage of Pre-Incentive Income to Planned Income plus Pre-Incentive Income in excess of 150% of Planned Income.

$$\frac{\$11,500,000}{\$\ 6,885,000} = 150\% \text{ of Planned Income} + \$1,172,500 \text{ (i.e. } \$11,500,000 - \$10,327,500\text{)}$$

b. Locate Base Fund in Column III

$1,790,000 + (26% X $1,172,500) = $2,094,850

3.2 Target Percentages. Subject to adjustment as set forth below, each Participant shall have a Target Percentage based upon the grade level of such Participant, unless determined otherwise by the Chief Executive Officer, on July 1, 2003, as follows:

Grade Levels	% of Base Compensation
Grade 6 I, Sales	15
Grade 7 I, Sales	15
Grade 8 I, Sales	20
Grade 10 I, Sales/Management	22
Grade 10 P, Professional/Management	12.5
Grade 11 I, Sales/Management	23
Grade 11 P, Professional/Management	15
Grade 12, Management Positions	25
Grade 13, Management Positions	27
Grade 14, Management Positions	30
Grade 15, Management Positions	32
Grade 16, Management Positions	36
Grade 17, Management Positions	38
Grade 18, Management Positions	39
Grade 19, Management Positions	40
Grade 20, Management Positions	50
Grade 21, Management Positions	52
Grade 22, Management Positions	54
Grade 23 and Above	60

Other Employees selected, in writing, by L. B. Foster Company's Chairman of the Board and Chief Executive Officer may also be made Participants in the Plan on such terms as may be approved by the Chairman of the Board and Chief Executive Officer.

The Committee may determine performance goals for the Chief Executive Officer and such other officers as the Committee may, in its discretion, select and the Target Percentage for each such Participant will be adjusted upward or downward based upon such Participant's achievement of such goals. The precise method for determining such adjustments for each such Participant shall be separately scheduled and deemed incorporated herein by reference.

Those Participants who have retired or died prior to July 1, 2003 shall have a Target Percentage based upon their grade level at death or retirement.

3.3 Discretionary Payments. Ten percent (10%) of the Base Fund, plus amounts reallocated pursuant to Article V, shall be reserved for discretionary payments to employees of the Corporation. The recipients of all such awards and the amounts of any such awards initially shall be selected by the Chief Executive Officer, subject to final approval by the Committee. If any amounts are not paid from the amount herein reserved, such remaining amount shall, at the discretion of the Chief Executive Officer, either revert to the Corporation or be allocated to Participants in proportion to their respective Individual Incentive Awards prior to the allocation herein.

3.4 Calculation of Pools. Each Participant and all or any portion of each Participant's Target Award shall be assigned to a Pool by the Chief Executive Officer of the Company with (i) 100% of the Target Award of a Participant not assigned to an Operating Unit being assigned to the General Pool and (ii) 75% of the Target Award of a Participant assigned to an Operating Unit(s) being assigned to the Product Pool and 25% of such Participant's Target Award being assigned to the General Pool. . The dollar amount of each Pool will be determined by dividing the portion of the Target Awards assigned to the Pool by the total Target Awards of all Participants and then multiplying such amount by the Fund.

EXAMPLE :

THE CORPORATION'S PRE-INCENTIVE INCOME IS $7,100,000. THE TOTAL OF ALL TARGET AWARDS FOR ALL PLAN PARTICIPANTS IS $2,100,000, WITH $1,000,000 ALLOCATED TO THE GENERAL POOL AND $1,100,000 ALLOCATED TO THE PRODUCT POOL. THE DOLLAR AMOUNT OF EACH POOL WOULD BE CALCULATED AS FOLLOWS:

(a) Determine Pre-Incentive Income as Percentage of Planned Income

Pre-Incentive Income is:

$$\frac{\$7,100,000}{\$6,885,000} = 103\%$$

(b) Determine Base Fund Under Column III

103% of Planned Income will yield 100% of the Planned Contribution, or $895,000

(c) Calculate Fund by deducting 10% for "Discretionary Awards"

$895,000 X 90% = $805,500

(d) Determine Amount of Each Pool

1. General Pool

$$\frac{\$1,000,000}{\$2,100,000} \times \$805,500 = \$383,571$$

2. Product Pool

$$\frac{\$1,100,000}{\$2,100,000} \times \$805,500 = \$421,929$$

3.5 Calculation of Individual Incentive Awards. The calculation of an Individual Incentive Award shall be determined based on the Pool(s) to which a Participant is assigned.

3.5A General Pool Individual Incentive Awards. A General Pool Participant's Individual Incentive Award shall be calculated, subject to the limitations in Section 2.9, as follows:

(a) Divide Participant's Target Award allocated to General Pool by the sum of all Target Awards allocated to General Pool;

(b) Multiply (a) by amount of General Pool.

EXAMPLE:

THE GENERAL POOL IS $383,571. THE SUM OF ALL GENERAL POOL PARTICIPANTS' TARGET AWARDS IS $1,000,000. MANAGER JONES HAS A TARGET AWARD OF $19,200:

$$\frac{\$ \quad 19,200}{\$ \ 1,000,000} \times \$383,571 = \$7,365$$
(Individual Incentive Award)

3.5B Product Pool Individual Incentive Awards

(a) The Chief Executive Officer shall assign all or any portion of a Participant's Target Award to an Operating Unit for purposes of calculating percentages earned under 3.5(B)(b)(i), and (b)(ii), may adjust such allocation(s) at any time (the "Operating Unit Target Award"). The Participant's Individual Incentive Award shall be calculated by: (i) multiplying each such Operating Unit Target Award by the sum of the percentages (the "Operating Unit Performance Percentage") earned by the Operating Unit under 3.5B(b), with the resulting product being the "Adjusted Operating Unit Target Award" and (ii) multiplying the amount in the Product Pool by a fraction, the numerator of which is the Participant's Adjusted Operating Unit Target Award and the denominator of which is the sum of all Adjusted Operating Unit Target Awards of all Participants in the Product Pool.

(b) The Operating Unit Performance Percentage with respect to the applicable Operating Unit shall be the sum of the following percentages:

(i) The single "Pre-Tax Income Performance Percentage" set forth below opposite the "Pre-Tax Income as % of the Operating Unit's 2003 Operating Plan" earned by the applicable Operating Unit (subject to the $5,000 thresholds set forth below and subject to adjustment by the Chief Executive Officer):

Pre-Tax Income as % of Operating Unit's 2002 Operating Plan*	Pre-Tax Income Performance Percentage
75%	5%
80%	10%
85%	20%
90%	30%
95%	40%
100%	50%
110%	65%
120%	80%
130% and up	100%

* Once an Operating Unit has achieved 75% of the Operating Unit's 2003 Operating Plan Pre-Tax Income, the Operating Unit shall receive credit for additional percentage points under the column on the left above only to the extent each such percentage point represents at least $5,000 in Pre-Tax Income.

EXAMPLE:

An Operating Unit's 2003 Operating Pre-Tax Income Plan is $200,000 and in 2003 the Operating Unit achieves exactly $200,000 in Operating Income.

Since $150,000 in Pre-Tax Income ($200,000 X 75%) was required to meet the threshold for any Performance Percentage to be earned under 3.5(b)(i), the $50,000 "excess" ($200,000 - $150,000) will be used to calculate additional Performance Percentages, i.e. $50,000 / $5,000 = 10. Accordingly, the Operating Unit would be considered to have achieved 85% of the Operating Unit's 2003 Operating Plan (75% + 10%) and to have earned a 20% Performance Percentage instead of the 50% Performance Percentage that otherwise would have been earned due to the Operating Unit achieving 100% of its 2003 Operating Plan Pre-Tax Income.

(ii) 25% if the Operating Unit met or exceeded its Return on Investment set forth in such Operating Unit's 2003 Operating Plan (subject to adjustment by the Chief Executive Officer), otherwise 0%.

(c) Notwithstanding any provision herein to the contrary, the sum of all Individual Incentive Awards allocable to an Operating Unit may not exceed 25% of such Operating Unit's Operating Unit Income. A Participant assigned to an Operating Unit affected by this limit shall receive a share of the available Operating Unit Income (i.e. 25% of the Operating Unit's Operating Unit Income) equal to the Participant's applicable Adjusted Operating Unit Target Award divided by the sum of applicable Adjusted Operating Unit Target Awards for all applicable Participants assigned to that Operating Unit. Amounts not payable because of this limitation shall be used for discretionary payments under Section 3.3.

EXAMPLE :

THE PRODUCT POOL IS $421,929. MANAGER SMITH'S TARGET AWARD ALLOCATED TO THE PRODUCT POOL is $50,000 and IS ALLOCATED TO CXT RAIL. THE ADJUSTED TARGET AWARD OF ALL PARTICIPANTS IN THE PRODUCT POOL IS $800,000. CXT RAIL MEETS THE REQUIREMENTS OF b(i) and b(ii) AND HAS ALSO EXCEEDED ITS PLANNED PRE-TAX INCOME BY 10% AND $500,000. MANAGER SMITH'S BONUS WOULD BE CALCULATED AS FOLLOWS:

(a) Operating Performance Percentage

65% + 25% = 90%
(i) (ii)

(b) Determine Smith's Adjusted Operating Target Award

$50,000 X 90% = $45,000

(c) Determine Smith's Individual Award from the Product Pool

$ 45,000 X $421,929 = $23,734

$800,000 (sum of all Adjusted Operating Target Awards)

EXAMPLE:

The Product Pool is $421,929. Manager Jones' Target Award allocated to the Product Pool is $50,000, with 50% allocated to Geotech and 50% allocated to CXT Buildings. Geotech's Operating Unit Income is 88% of its 2003 Planned Pre-Tax Income and Geotech has achieved its planned return on investment. CXT Building's Operating Unit Income is both $1M above and 200% of its 2003 Planned Pre-Tax Income and CXT Buildings has satisfied all requirements under 3.5B(b). The sum of Adjusted Operating Unit Target Awards for all Participants with respect to Geotech is $100,000, for all Participants with respect to CXT Buildings is $200,000 and for all Participants within all Operating Units is $800,000. Disregarding the requirement that awards may not exceed 25% of the Operating Unit Income for the applicable Operating Unit, Manager Jones' Individual Incentive Award would be calculated as follows:

(a) Operating Unit Performance Percentage

For CXT Buildings:

100% + 25% = 125%
b(i) + b(ii)

For Geotech

20% + 25% = 45%
b(i) + b(ii)

(b) Determine Jones' Adjusted Operating Unit Target Awards

For CXT Buildings:

($50,000 X 50%) X 125% = $31,250

For Geotech:

($50,000 X 50%) X 45% = $11,250

(c) Determine Jones' Individual Incentive Award

For CXT Buildings:

$ 31,250 X $421,929 = $16,482

$800,000 (Product Pool)

For Geotech:

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$ 11,250    X     $421,929        =          $ 5,933
----------
 $800,000
```

Total Individual Incentive Award $22,415 (excluding General Pool Award)

EXAMPLE:

Same facts in the preceding Example, except that CXT Building's Operating Unit Income is $300,000 and the sum of CXT Building's Individual Incentive Awards would be, but for the limits in 3.5B(c), $100,646.

(a) Determine Maximum Individual Incentive Awards for CXT Building's Participants

25% X $300,000 = $ 75,000

(b) Determine Manager Jones' Share

```
Jones' Adjusted Operating Unit Target Award     X        Maximum Aggregate
- ------------------------------------------          CXT Building Incentive Awards
Sum of All CXT Building Adjusted Operating
Unit Target Awards
```

```
$ 31,250       X    $ 75,000 = $ 11,719
----------
 $200,000
```

(c) Determine Amount Available for Discretionary Payments

($100,646 - $ 75,000) = $ 25,646

(d) Notwithstanding any provision herein to the contrary, a Participant's Individual Incentive Award from the Product Pool may not exceed twice the applicable Performance Percentage earned by the Participant's applicable Operating Unit under each of 3.5(B)(b)(i) and (ii) multiplied by the Participant's applicable Operating Unit Target Award. Amounts not payable because of this limitation shall be available for discretionary payments under Section 3.3.

IV. ELIGIBILITY

Unless changed or amended by the Committee, an employee shall be deemed a Participant in the Plan only if all of the following requirements are satisfied:

A. A Participant must be a salaried employee of the Corporation, at a grade level set forth in Section 3.2 or as otherwise approved by L. B. Foster Company's Chairman of the Board or Chief Executive Officer, for at least six (6) months of the entire fiscal year, unless deceased or retired.

B. A Participant may not have: (i) been terminated for cause; (ii) voluntarily have resigned (other than due to retirement with the Company's consent) prior to the date Individual Incentive Awards are paid; or (iii), unless the Corporation agrees in writing that the employee shall remain a Participant in this Plan, been terminated for any reason whatsoever and have received money from the Corporation in connection with said termination.

C. A Participant's services may not primarily be provided to the Natmaya, Inc., Fosmart, Inc. or Foster Technologies Inc. unless otherwise approved by the Chief Executive Officer.

D. A Participant may not, unless agreed to in writing by the Chief Executive Officer, be a participant in any other incentive plan maintained by the Corporation, other than the Corporation's stock option plans.

As used herein, "cause" to terminate employment shall exist upon (i) the failure of an employee to substantially perform his duties with the Corporation; (ii) the engaging by an employee in any criminal act or in other conduct injurious to the Corporation; or (iii) the failure of an employee to follow the reasonable directives of the employee's superior(s).

V. REALLOCATIONS

Any portion of the Fund not otherwise distributed shall be available for discretionary payments under Section 3.3.

VI. PAYMENT OF AWARDS

Payment of Individual Incentive Awards will be made on or before March 15, 2004.

VII. ADMINISTRATION AND INTERPRETATION OF THE PLAN

The Chief Executive Officer, if there is a dispute, shall determine the Operating Unit(s) that will receive credit for any sale and/or how credit for any sale is to be allocated among any Operating Units. The Chief Executive Officer's decisions are subject to final review by the Committee if the Committee requests such review.

A determination by the Committee in carrying out, administering or interpreting this Plan shall be final and binding for all purposes and upon all interested persons and their heirs, successors and personal representatives.

The Committee may, from time to time, amend the Plan; provided, however, that the Committee may not amend, terminate or suspend the Plan so as to reduce the Base Fund payable under the Plan, subject to any reversions permitted under Section 3.3.

The Chief Executive Officer may delegate any of his duties herein.

The Corporation's Internal Audit Department will review and verify the calculation of Individual Incentive Awards.

Exhibit 31.1

Form of Sarbanes-Oxley Section 302(a) Certification

I, Stan L. Hasselbusch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of L. B. Foster Company;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based in our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: August 13, 2003

/s/Stan L. Hasselbusch

Stan L. Hasselbusch
President and Chief Executive Officer

Exhibit 31.2

Form of Sarbanes-Oxley Section 302(a) Certification

I, David J. Russo, certify that:

1. I have reviewed this quarterly report on Form 10-Q of L. B. Foster Company;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based in our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: August 13, 2003

/s/David J. Russo

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

Exhibit 32.1

CERTIFICATION UNDER SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned certifies that this periodic report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this periodic report fairly presents, in all material respects, the financial condition and results of operations of L. B. Foster Company.

/s/Stan L. Hasselbusch

Stan L. Hasselbusch
President and
Chief Executive Officer
August 13, 2003

Exhibit 32.2

CERTIFICATION UNDER SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned certifies that this periodic report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this periodic report fairly presents, in all material respects, the financial condition and results of operations of L. B. Foster Company.

/s/David J. Russo

David J. Russo
Senior Vice President,
Chief Financial Officer and
Treasurer
August 13, 2003

Board Resolution Exibit 10.53

May 13, 2003

RESOLVED, that in addition to the options awarded under the 1998 Long-Term Incentive Plan, as Amended and Restated, the annual fee paid to each of the Corporation's outside directors, effective May 1, 2003, shall be the sum of (i) a $16,500 annual base fee for the Chairperson of the Audit Committee and Compensation Committee and a $14,000 annual base fee for other outside directors, plus $1,000 for each non-telephonic Board of Directors meeting attended (whether such attendance is in person or via telephone), $500 for each Committee meeting (telephonic or non-telephonic) attended and $500 for each telephonic Board of Directors meeting attended, payable quarterly in arrears: and (ii) one annual grant of 2,500 shares of the Corporation's common stock as of each Annual Shareholders' Meeting at which the outside director is elected (or re-elected) as a director of the Corporation.