

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): October 27, 2003

GRAHAM CORPORATION  
(exact name of registrant as specified in Charter)

|  |   |   |
|--|---|---|
| Delaware<br>-----<br>(State or other jurisdiction<br>of Incorporation) | 1-8462<br>-----<br>(Commission File Number) | 16-1194720<br>-----<br>(IRS Employer<br>Identification<br>Number) |
|--|---|---|

20 Florence Avenue, Batavia, New York 14020  
-----  
(Address of principal executive offices)

Registrant's telephone number, including area code: (585) 343-2216  
-----

N/A

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

Item 7. Exhibits  
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99.1 Press Release issued October 27, 2003 announcing earnings of Graham Corporation for the fiscal quarter and six months ended September 30, 2003.

Item 12. Results of Operations and Financial Condition  
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On October 27, 2003, Graham Corporation issued a press release announcing results of operations for the fiscal quarter and six months ended September 30, 2003. A copy is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Current Report on Form 8-K and the exhibit attached hereto shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Exchange Act or Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

SIGNATURES

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

GRAHAM CORPORATION  
(Registrant)

Date: October 28, 2003

By /s/ J. Ronald Hansen

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J. Ronald Hansen  
Vice President - Finance  
& Administration and  
Chief Financial Officer

Exhibit Index

| Exhibit Number | Document Description                 |
|----------------|--------------------------------------|
| 99.1           | Press Release dated October 28, 2003 |

October 27, 2003  
Businesswire  
1185 Avenue of the Americas, 3rd Floor  
New York, NY 10036

FROM: William A. Smith, Jr.   ACCOUNT:   Graham Corporation  
Smith Law Office, P.C.       20 Florence Avenue  
7 State Street               Batavia, NY 14020  
Pittsford, NY 14534         ATT: Carole M. Anderson

Please distribute the following press release on your National wire.

Please send us by fax (585-343-1177) copies of Dow Jones, Reuters, and any other wire service reports of this release when you receive them.

QUOTE

FOR GRAHAM CORPORATION

Company Contact: J. Ronald Hansen.  
Batavia, New York 14020 - Phone (585) 343-2216

PRESS RELEASE  
FOR IMMEDIATE RELEASE:  
October 27, 2003

GRAHAM CORPORATION ANNOUNCES RESULTS  
FOR SECOND QUARTER OF FISCAL YEAR 2003 - 2004

Batavia, N.Y. (October 27, 2003) -- Graham Corporation (GHM:ASE) announced today results for the second quarter of its current fiscal year. Sales for the quarter ended September 30, 2003 were \$12,457,000 producing net income of \$156,000 or \$.09 per diluted share. This compares to sales for the quarter ended September 30, 2002 of \$11,437,000, which produced a net loss of \$353,000 or \$.21 per diluted share.

Sales for the first six months of the fiscal year (April - September 2003) were \$20,892,000, compared to sales of \$21,605,000 for the first six months of the previous fiscal year; net loss was \$502,000 versus \$809,000 net loss for the first six months of the previous fiscal year; and the diluted loss per share was \$.31 versus \$.49 loss per diluted share for the same period the previous year.

Orders for the second quarter ended September 30, 2003 were \$7,854,000 compared to \$11,294,000 for the quarter ended September 30, 2002. Orders for the quarter ended June 30, 2003 were \$11,233,000. Orders for the current quarter were down due to temporary postponements in placing orders.

Consolidated backlog on September 30, 2003 was \$23,545,000. Backlog at June 30, 2003 stood at \$28,002,000 and on September 30, 2002 at \$31,793,000.

Al Cadena, Graham's President and Chief Executive Officer said, "In the second quarter the Company has begun to see signs of recovery in its principal markets, especially overseas. New orders for the quarter were less than expected due to customer rescheduling of certain large projects; the Company expects to enter orders for these projects in the current quarter. While the situation remains highly competitive, we believe that the downturn in demand for the Company's standard products has reached bottom and is now beginning to recover. The Company remains in a strong financial position, with an excellent balance sheet."

Graham designs and builds vacuum and heat transfer equipment for process industries throughout the world. It is a worldwide leader in vacuum technology. The principal markets for Graham's equipment are the chemical, petrochemical, petroleum refining and electric power generating industries, including cogeneration and geothermal plants. Other markets served include metal refining, pulp and paper, shipbuilding, water heating, refrigeration, desalination, food processing, drugs, heating, ventilating and air conditioning. Graham's ejectors, liquid ring and dry vacuum pumps, condensers, heat exchangers and other products, sold either as components or as complete systems, are used by its customers to produce synthetic fibers, chemicals, petroleum products (including gasoline), electric power, processed food (including canned, frozen and dairy products), pharmaceutical products, paper, steel, fertilizers and numerous other products used every day by people throughout the world.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All forward-looking statements are subject to certain risks, uncertainties and assumptions. These risks and uncertainties, which are more fully described in Graham's Annual and Quarterly Reports filed with the Securities and Exchange Commission, include changes in market conditions in the industries in which the Company operates. Should one or more of these risks or uncertainties materialize, or should the assumptions prove incorrect, actual results may vary in material aspects from those currently anticipated.

GRAHAM CORPORATION

SUMMARY OF CONSOLIDATED SALES AND EARNINGS (UNAUDITED)

<TABLE>

<CAPTION>

|   | Three Months Ended |                   | Six Months Ended  |                   |
|---|--------------------|-------------------|-------------------|-------------------|
|   | Sept. 30,<br>2003  | Sept. 30,<br>2002 | Sept. 30,<br>2003 | Sept. 30,<br>2002 |
|   | -----              | -----             | -----             | -----             |
| <S>                                     | <C>                | <C>               | <C>               | <C>               |
| Net Sales                               | \$12,457,000       | \$11,437,000      | \$20,892,000      | \$21,605,000      |
| Costs and Expenses                      | 12,233,000         | 11,959,000        | 22,117,000        | 22,818,000        |
| Other Income                            |                    |                   | (522,000)         |                   |
|   | -----              | -----             | -----             | -----             |
| Income (Loss) Before<br>Income Taxes    | 224,000            | (522,000)         | (703,000)         | (1,213,000)       |
| Provision (Benefit) for<br>Income Taxes | 68,000             | (169,000)         | (201,000)         | (404,000)         |
|   | -----              | -----             | -----             | -----             |
| Net Income (Loss)                       | \$ 156,000         | \$ (353,000)      | \$ (502,000)      | \$ (809,000)      |
|   | =====              | =====             | =====             | =====             |
| Per Share Data                          |                    |                   |                   |                   |
| Net Income (Loss)-Basic                 | \$0.09             | (\$0.21)          | (\$0.31)          | (\$0.49)          |
|   | =====              | =====             | =====             | =====             |
| Diluted                                 | \$0.09             | (\$0.21)          | (\$0.31)          | (\$0.49)          |
|   | =====              | =====             | =====             | =====             |

</TABLE>

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PAGE>4

CONDENSED CONSOLIDATED BALANCE SHEET

<TABLE>

<CAPTION>

|  | (UNAUDITED)       |                   |
|--|-------------------|-------------------|
|  | Sept. 30,<br>2003 | March 31,<br>2003 |
|  | -----             | -----             |
| <S>  |                   |                   |
| ASSETS   | <C>               | <C>               |
| Cash and cash equivalents                              | \$ 280,000        | \$ 217,000        |
| Investments  | 5,428,000         | 6,446,000         |
| Accounts Receivable                                    | 6,341,000         | 7,295,000         |
| Inventories  | 9,330,000         | 10,341,000        |
| Prepaid Expenses and Other Current Assets              | 2,951,000         | 2,472,000         |
|  | -----             | -----             |
| Total Current Assets                                   | 24,330,000        | 26,771,000        |
| Property, Plant & Equipment - Net                      | 9,481,000         | 9,808,000         |
| Other Assets   | 1,570,000         | 1,701,000         |
|  | -----             | -----             |
| Total  | \$35,381,000      | \$38,280,000      |
|  | =====             | =====             |
| LIABILITIES & SHAREHOLDERS' EQUITY                     |                   |                   |
| Short-Term Debt & Current Portion<br>of Long-Term Debt | \$ 1,626,000      | \$ 1,604,000      |
| Accounts Payable                                       | 2,782,000         | 4,629,000         |
| Other Current Liabilities                              | 8,021,000         | 7,759,000         |
|  | -----             | -----             |
| Total Current Liabilities                              | 12,429,000        | 13,992,000        |
| Long-Term Debt   | 116,000           | 127,000           |
| Deferred Liabilities                                   | 4,466,000         | 5,368,000         |
| Shareholders' Equity                                   | 18,370,000        | 18,793,000        |
|  | -----             | -----             |
| Total  | \$35,381,000      | \$38,280,000      |
|  | =====             | =====             |

</TABLE>

END QUOTE