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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2005

Commission File No. 0-7099

CECO ENVIRONMENTAL CORP.
(Exact name of registrant as specified in its charter)

Delaware	**13-2566064**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

3120 Forrer Street, Cincinnati, Ohio 45209
(Address of principal executive offices) (Zip Code)

513-458-2600
(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 and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.): ☐ Yes ☒ No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of latest practical date.

Class: Common, par value $.01 per share outstanding at November 1, 2005 - 9,993,260

CECO ENVIRONMENTAL CORP.

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
SEPTEMBER 30, 2005

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CECO ENVIRONMENTAL CORP

CONDENSED CONSOLIDATED BALANCE SHEETS

Dollars in thousands, except per share data

	SEPTEMBER 30, 2005 (Unaudited)	DECEMBER 31, 2004
ASSETS		
Current assets:		
Cash and cash equivalents	$ 533	$ 339
Accounts receivable, net	14,651	14,055
Costs and estimated earnings in excess of billings on uncompleted contracts	3,441	4,181
Inventories	1,885	1,689
Prepaid expenses and other current assets	2,216	1,515
Total current assets	22,726	21,779
Property and equipment, net	9,030	9,385
Goodwill	9,527	9,527
Intangible assets – finite life, net	678	737
Intangible assets – indefinite life	1,395	1,395
Deferred charges and other assets	521	618
	$ 43,877	$ 43,441
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of debt	$ 8,838	$ 4,188
Accounts payable and accrued expenses	12,839	12,211
Billings in excess of costs and estimated earnings on uncompleted contracts	3,134	3,470
Total current liabilities	24,811	19,869
Other liabilities	1,837	1,967
Debt, less current portion	—	4,549
Deferred income tax liability	2,462	2,462
Subordinated notes (including, related party - $7,078 and $6,884, respectively)	7,560	7,345
Total liabilities	36,670	36,192
Shareholders' equity:		
Common stock, $.01 par value; 100,000,000 shares authorized, 10,168,479 shares issued in 2005 and 2004	102	102
Capital in excess of par value	15,017	15,017
Accumulated deficit	(6,679)	(6,637)
Accumulated other comprehensive loss	(760)	(760)
	7,680	7,722
Less treasury stock, at cost, 175,220 shares in 2005 and 2004	(473)	(473)
Total shareholders' equity	7,207	7,249
	$ 43,877	$ 43,441

The notes to condensed consolidated financial statements are an integral part of the above statements.

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CECO ENVIRONMENTAL CORP.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

Dollars in thousands, except per share data

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2005	2004	2005	2004
Net sales	$ 23,442	$ 18,566	$ 58,512	$ 47,711
Costs and expenses:				
Cost of sales, exclusive of items shown separately below	18,918	15,035	47,547	38,248
Selling and administrative	2,974	2,473	8,600	7,833
Depreciation and amortization	293	322	876	970
	22,185	17,830	57,023	47,051
Income from operations	1,257	736	1,489	660
Other (expense) income	(273)	19	(197)	55
Interest expense (including related party interest of $255 and $219, and $772 and $654, respectively)	(594)	(669)	(1,816)	(1,908)
Income (loss) from operations before income taxes	390	86	(524)	(1,193)
Income tax provision (benefit)	35	(199)	(482)	(775)
Net income (loss)	$ 355	$ 285	$ (42)	$ (418)
Per share data:				
Basic net income (loss)	$ .04	$ .03	$ —	$ (.04)
Diluted net income (loss)	$ .03	$ .03	$ —	$ (.04)
Weighted average number of common shares outstanding:				
Basic	9,993,260	9,991,678	9,993,260	9,988,840
Diluted	11,169,034	10,015,537	9,993,260	9,988,840

The notes to condensed consolidated financial statements are an integral part of the above statements.

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CECO ENVIRONMENTAL CORP.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

Dollars in thousands

	NINE MONTHS ENDED SEPTEMBER 30, 2005	NINE MONTHS ENDED SEPTEMBER 30, 2004
Cash flows from operating activities:		
Net loss	$ (42)	$ (418)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	876	970
Non cash gains included in net loss	(60)	(55)
Non cash interest expenses included in net loss	268	286
Changes in operating assets and liabilities:		
Accounts receivable	(596)	(1,629)
Costs and estimated earnings in excess of billings on uncompleted contracts	740	(1,385)
Inventories	(196)	(450)
Prepaid expenses and other current assets	(713)	(788)
Accounts payable and accrued expenses	628	2,260
Billings in excess of costs and estimated earnings on uncompleted contracts	(336)	1,234
Other	(24)	(137)
Net cash provided by (used in) operating activities	545	(112)
Cash flows from investing activities:		
Acquisitions of property and equipment	(452)	(281)
Net cash used in investing activities	(452)	(281)
Cash flows from financing activities:		
Proceeds from stock issuance	—	10
Net borrowings on revolving credit line	101	451
Net cash provided by financing activities	101	461
Net increase in cash and cash equivalents	194	68
Cash and cash equivalents at beginning of the period	339	136
Cash and cash equivalents at end of the period	$ 533	$ 204
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid (refunded) during the period for:		
Interest	$ 997	$ 906
Income taxes	$ 104	$ (13)

The notes to condensed consolidated financial statements are an integral part of the above statements.

CECO ENVIRONMENTAL CORP.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

(Dollars in thousands)

1. Basis of reporting for condensed consolidated financial statements and significant accounting policies.

The accompanying unaudited condensed consolidated financial statements of CECO Environmental Corp. and subsidiaries (the “Company”, “we”, “us”, or “our”) have been prepared in accordance with accounting principles generally accepted in the United States of America. In the opinion of management, the accompanying unaudited condensed consolidated financial statements of the Company contain all adjustments (consisting only of normal recurring accruals) necessary to present fairly the financial position as of September 30, 2005 and December 31, 2004 and the results of operations for the three-month and nine-month periods ended September 30, 2005 and 2004 and of cash flows for the nine-month periods ended September 30, 2005 and 2004. The results of operations for the three-month period and nine-month period ended September 30, 2005 are not necessarily indicative of the results to be expected for the full year.

These financial statements should be read in conjunction with the audited financial statements and notes thereto in our 2004 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Stock Based Compensation - We apply Accounting Principles Board Opinion No. 25 and related interpretations in the accounting for stock option plans. Under such method, compensation is measured by the quoted market price of the stock at the measurement date less the amount, if any, that the employee is required to pay. The measurement date is the first date on which the number of shares that an individual employee is entitled to receive and the option or purchase price, if any, are known. We did not incur any compensation expense in 2005 or 2004 related to our stock option plans. We adopted the disclosure-only provisions of SFAS No. 123, “Accounting for Stock-Based Compensation” and related pronouncements.

The following table compares 2005 and 2004 as reported to the pro forma results, considering both options and warrants discussed in Note 11 in our 2004 Annual Report filed on Form 10-K, had we adopted the expense recognition provision of SFAS No. 123:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Net income (loss) as reported	$ 355	$ 285	$ (42)	$ (418)
Deduct: compensation cost based on fair value recognition, net of tax	(8)	(6)	(24)	(18)
Pro forma net income (loss) under SFAS No. 123	$ 347	$ 279	$ (66)	$ (436)
Net income (loss) per share:				
Basic as reported	$ .04	$ .03	$ .00	$ (.04)
Basic pro forma under SFAS No. 123	$ .03	$ .03	$ (.01)	$ (.04)
Diluted as reported	$ .03	$ .03	$ .00	$ (.04)
Diluted pro forma under SFAS No. 123	$ .03	$ .03	$ (.01)	$ (.04)

CECO ENVIRONMENTAL CORP.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Certain amounts in the September 30, 2004 financial statements have been reclassified to conform to the September 30, 2005 presentation.

2. New Accounting Standards

In December 2003, the FASB issued a revised FASB Interpretation No. 46, entitled "Consolidation of Variable Interest Entities." As revised, the new interpretation requires that the Company consolidate all variable interest entities in its financial statements under certain circumstances. We adopted the revised interpretation as of March 31, 2004 as required; however, the adoption of this interpretation did not affect our financial condition or results of operations, as we do not have any variable interest entities.

In November 2004, the FASB issued SFAS No. 151, "Inventory Costs, an amendment of ARB No. 43, Chapter 4". This statement clarifies the accounting for abnormal amounts of idle facility expense, freight, handling cost and wasted material. SFAS No. 151 is effective for inventory costs incurred during fiscal years beginning after June 15, 2005. The adoption of this interpretation will not affect our financial condition or results of operations.

In May 2005, the FASB issued SFAS No. 154, "Accounting Changes and Error Corrections—a Replacement of APB Opinion No. 20 and FASB Statement No. 3." This Statement replaces APB Opinion No. 20, "Accounting Changes," and FASB Statement No. 3, "Reporting Accounting Changes in Interim Financial Statements," and changes the requirements for the accounting for and reporting of a change in accounting principle. This Statement requires retrospective application to prior periods' financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. This Statement applies to all voluntary changes in accounting principle. It also applies to changes required by an accounting pronouncement in the unusual instance that the pronouncement does not include specific transition provisions. This Statement is effective for accounting changes and error corrections made in fiscal years beginning after December 15, 2005. The adoption of this Statement is not expected to have a material effect on our Condensed Consolidated Financial Statements.

In December 2004, the Financial Accounting Standards Board ("FASB") issued FAS 123 (revised 2004)—Share-Based Payments ("FAS 123-R"). FAS 123-R replaces FAS 123—Accounting for Stock-Based Compensation, and supersedes APB 25—Accounting for Stock Issued to Employees. As revised by the Securities and Exchange Commission, we will be required to adopt FAS 123-R beginning January 1, 2006. FAS 123-R requires all share-based awards to employees, and any subsequent modifications to those awards, to be recognized in the financial statements based on a fair-value-based method. The pro forma disclosures previously permitted under FAS 123 will no longer be an alternative to financial statement recognition.

Under FAS 123-R, we must determine the appropriate fair-value model to be used for valuing share-based payments, the amortization method for compensation cost and the transition method to be used at the date of adoption. FAS 123-R permits companies to adopt the new standard using either a modified prospective transition method or a modified retrospective transition method. Using the modified prospective transition method, compensation expense would be recorded for all unvested awards at the beginning of the first quarter of FAS 123-R adoption based upon the values assigned to grants and modifications of stock compensation used in the proforma disclosures made in accordance with the original provisions of FAS 123. Under the modified retrospective method, companies are permitted to restate financial statements of previous periods using those proforma amounts.

We are currently evaluating the requirements of this standard. We expect that the effect on net income and earnings per share in the periods following adoption will be consistent with amounts reported in our pro forma disclosures under FAS 123 (see Note 1). However, the actual effect on net income and earnings per share will vary depending on the terms and number of options ultimately granted.

CECO ENVIRONMENTAL CORP.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

3. Inventories

Inventories consist of the following:

	September 30, 2005	December 31, 2004
Raw materials and subassemblies	$ 1,057	$ 888
Finished goods	203	251
Parts for resale	725	660
Reserve for obsolescence	(100)	(110)
	$ 1,885	$ 1,689

4. Business Segment Information

Our structure and operational integration results in one segment that focuses on engineering, designing, building and installing systems that remove airborne contaminants from industrial facilities, as well as equipment that controls emissions from such facilities. Accordingly, the condensed consolidated financial statements herein reflect the operating results of the segment.

5. Earnings Per Share

For the three months ended September 30, 2005 and 2004, basic weighted average common shares outstanding were 9,993,260 and 9,991,678, respectively, while diluted average common shares outstanding were 11,169,034 and 10,015,537, respectively. For the nine months ended September 30, 2005 and 2004, basic weighted average common shares outstanding and diluted average common shares outstanding were 9,993,260 and 9,988,840, respectively. We consider outstanding options and warrants in computing diluted net income per share only when they are dilutive. Options and warrants to purchase 3,435,700 and 3,503,700 shares for the nine months ended September 30, 2005 and 2004, respectively, were not included in the computation of diluted earnings per share due to their having an anti-dilutive effect.

6. Debt

Total bank and related debt as of September 30, 2005 was $8.8 million and $8.7 million at December 31, 2004. Unused credit availability under our $10.0 million revolving line of credit at September 30, 2005 was $1.2 million.

The bank term loan and revolving line of credit are reported as current portion of debt in the balance sheet at September 30, 2005, since the term loan and the revolving line of credit mature in January 2006. In August 2005, the credit agreement was amended to extend the maturity date of CECO's $3.1 million term loan from August 31, 2005 to January 1, 2006. Additionally, Fifth Third Bank, our revolving credit lender, acquired the term debt interests of the other two participating banks, resulting in the consolidation of our total credit facility within one bank. This eliminated scheduled quarterly principal payments and reduced the rate of interest on the term debt by 100 basis points. Terms on the revolving line of credit remained unchanged. Letters of credit issued under this agreement do not reduce our borrowing base availability but are counted in the aggregate toward our $10 million credit limit. Additionally, these letters of credit are secured by the personal guaranty of our Chairman, Phillip DeZwirek.

CECO ENVIRONMENTAL CORP.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

We have received credit approval from our existing line of credit lender for a new loan agreement, which is contingent upon closing the sale of our Cincinnati property.

In June 2005, we accepted an offer to sell our Cincinnati property with a contemplated closing date of July 15, 2005 subject to various contingencies. The purchase agreement called for 10.7 acres of real estate and improvements to be divided into two parcels, with the first parcel scheduled to close on or before July 15, 2005, for a purchase price of $6.9 million and the second parcel was scheduled to close on or before April 1, 2006, for a purchase price of $1.1 million. In July, August and September of 2005, the buyer exercised each of its three, thirty day options and extended the closing to October 31, 2005. On October 20, 2005, the buyer chose to assign the agreement, with our consent, to a third party that had indicated its desire to purchase the Cincinnati properties. In addition, under the agreement, the closing of Parcel A has been extended until December 31, 2005.

7. Employee Benefit Plans

We sponsor a non-contributory defined benefit pension plan for certain union employees. The plan is funded in accordance with the funding requirements of the Employee Retirement Income Security Act of 1974. We also sponsor a post-retirement health care plan for office employees retiring before January 1, 1990. The plan allows retirees who have attained the age of 65 to elect the type of coverage desired. Retirement and health care plan expense is based on valuations performed by plan actuaries as of the beginning of each fiscal year.

The components of the expense consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Retirement plan:				
Service cost	$ 33	$ 30	$ 99	$ 90
Interest cost	69	71	207	213
Expected return on plan assets	(76)	(63)	(228)	(189)
Amortization of prior service cost	2	2	6	6
Amortization of net actuarial (gain)/loss	22	26	66	78
Net periodic benefit cost	$ 50	$ 66	$ 150	$ 198
Health care plan:				
Interest cost	$ 7	$ 7	$ 21	$ 21

We previously disclosed in our financial statements for the year ended December 31, 2004 that we expected to make $398 in contributions to the Pension Plan during the year ending December 31, 2005. As of September 30, 2005, $308 has been contributed to the Pension Plan and we plan on making the balance of $90 during the fourth quarter of Fiscal Year 2005.

CECO ENVIRONMENTAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
(unaudited)

Results of Operations

Our condensed consolidated statements of operations for the three-month and nine-month periods ended September 30, 2005 and 2004 reflect our operations consolidated with the operations of our subsidiaries.

	Three Months Ended September 30,		Nine Months Ended September 30,	
($'s in millions)	**2005**	**2004**	**2005**	**2004**
Sales	$ 23.4	$ 18.5	$ 58.5	$ 47.7
Cost of sales	18.9	15.0	47.5	38.2
Gross profit (excluding depreciation)	$ 4.5	$ 3.5	$ 11.0	$ 9.5
Percent of sales	19.3%	19.0%	18.7%	19.8%
Selling and administrative expenses	$ 3.0	$ 2.5	$ 8.6	$ 7.8
Percent of sales	12.7%	13.3%	14.7%	16.4%
Operating income	$ 1.3	$ .7	$ 1.5	$ .7
Percent of sales	5.4%	4.0%	2.5%	1.4%

Consolidated net sales for the third quarter were $23.4 million, an increase of $4.9 million compared to the same quarter in 2004. Consolidated net sales for the first nine months of 2005 were $58.5 million, an increase of $10.8 million, compared to the same period in 2004. For the quarter and the first nine months, we reported sales increases from our construction activities as well as higher revenues from equipment sales. A large portion of this increase was due to revenues from CECO Abatement's ethanol projects.

New orders booked were $19.3 million during the third quarter of 2005 and $60.0 million for the nine months ended September 30, 2005 as compared to $26.9 million during the third quarter of 2004 and $57.8 million for the nine months ended September 30, 2004.

Third quarter 2005 gross profit was $4.5 million (19.3%). This compares to gross profit of $3.5 million (19.0%) during the same period in 2004. Gross profit for the quarter as a percent of sales was slightly higher (.3%). For the first nine months of 2005, gross profit was $11.0 million, an increase of $1.5 million compared to the same period in 2004. Gross profit as a percent of sales decreased 1.1% from 19.8% in 2004 to 18.7% in 2005 due to lower margins on construction contracts in the prior quarters.

Selling and administrative expenses increased by $501,000 or 20.3% to $3.0 million during the third quarter of 2005 from $2.5 million in the same period of 2004. Selling and administrative expenses in the third quarter of 2004 were reduced by $100,000 received from an escrow deposit, which was released to us without any further obligation as of September 30, 2004. The offsetting increase was due to increases in incentive compensation accruals relating to improved financial performance, increased selling and administrative wages and higher professional fees. Selling and administrative expenses increased by $767,000 or 9.8% to $8.6 million during the first nine months of 2005 from $7.8 million in the same period of 2004. This nine month increase was due to the same factors previously discussed.

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Depreciation and amortization decreased by $29,000 to $293,000 during the third quarter of 2005 from $322,000 in the same period of 2004. Depreciation and amortization decreased by $94,000 to $876,000 in the first nine months of 2005 from $970,000 in the same period of 2004.

Operating income increased by $521,000 or 70.8% to $1.3 million in the third quarter of 2005 compared to operating income of $736,000 during the same quarter of 2004. The impact of increased revenues and slightly higher margins in the third quarter, offset by increases in selling and administrative expenses, were the primary factors for the increase in operating income. Operating income for the first nine months of 2005 increased by $829,000 or 125.6% to $1.5 million compared to operating income of $660,000 during the same period of 2004. This increase was also due to increased revenues offset by slightly lower margins in the prior quarters and increases in selling and administrative expenses.

Other expense was $273,000 in the third quarter of 2005 compared to other income of $19,000 in the third quarter of 2004. The third quarter of 2005 includes a non-cash charge of $293,000 for the fair market value adjustment of detachable stock warrants. Other expense for the first nine months of 2005 was $197,000 compared to other income of $55,000 during the same period in 2004. The expense for the first nine months of 2005 includes the third quarter charge for warrants partially offset by the amortization of the deferred gain recognized from the sale and leaseback of our Conshohocken, Pennsylvania property in 2003. A deferred gain of $218,000 is being recognized over the ensuing three-year leaseback period.

Interest expense decreased by $75,000 to $594,000 from $669,000 during the third quarter of 2005. Interest expense decreased by $92,000 to $1.8 million from $1.9 million during the first nine months of 2005. The decrease in both periods was due to lower debt balances partially offset by higher interest rates.

Federal and state income tax provision was $35,000 during the third quarter of 2005 compared to a benefit of $199,000 during the third quarter of 2004. Federal and state income tax benefit was $482,000 for the first nine months of 2005, a decrease of $293,000 from the comparable period in 2004.

The federal and state income tax benefit for the first nine months of 2005 was 92%, which reflects the estimated effective tax rate for 2005. Our effective income tax rate was adjusted in the third quarter from 58% to 92% to reflect the reduction in our estimated pretax income for the year. This adjustment had the effect of decreasing the effective income tax rate for the 2005 third quarter to 9.0%. Our effective income tax rate is affected by certain permanent differences including non-deductible interest expense. The federal and state income tax benefit for the first nine months of 2004 was 65%, which reflected the estimated effective tax rate for 2004. Our effective income tax rate was adjusted in the third quarter from 45% to 65% to reflect the reduction in our estimated pretax income for the year. This adjustment had the affect of decreasing the effective income tax rate for the 2004 third quarter to (231%).

Net income for the quarter ended September 30, 2005 was $355,000 compared with net income of $285,000 for the same period in 2004. Net loss for the nine months ended September 30, 2005 was $42,000 compared with a net loss of $418,000 for the same period in 2004. This increase in net

CECO ENVIRONMENTAL CORP.

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income for the quarter and decrease in the net loss for the nine months ended September 30, 2005 was the result of improved operating results along with the adjustment of the effective tax rate offset by the non-cash expense for valuation of warrants which amounted to $23,000 net of the tax benefit.

Backlog

Our backlog consists of orders we have received for products and services we expect to ship and deliver within the next 12 months. There can be no assurances that backlog will be replicated, increased or translated into higher revenues in the future. The success of our business depends on a multitude of factors related to our backlog and the orders secured during the subsequent period(s).

Our backlog, as of September 30, 2005 was $22.2 million compared to $20.7 million as of December 31, 2004. The success of our business depends on a multitude of factors related to our backlog and the orders secured during the subsequent period(s).

Certain contracts are highly dependent on the work of contractors and other subcontractors participating in a project, over which we have no or limited control, and their performance on such project could have an adverse effect on the profitability of our contracts. Delays resulting from these contractors and subcontractors, changes in the scope of the project, weather, and labor availability also can have an effect on a contract's profitability.

Financial Condition, Liquidity and Capital Resources

Our principal sources of liquidity are cash flow from operations and available borrowings under our revolving credit facility. Our principal uses of cash are operating costs, debt service, payment of interest on our outstanding senior debt, working capital and other general corporate requirements.

At September 30, 2005 and December 31, 2004, cash and cash equivalents totaled $533,000 and $339,000, respectively. Generally, we do not carry significant cash and cash equivalent balances because excess amounts are used to pay down our revolving line of credit.

Total bank and related debt as of September 30, 2005 was $8.8 million and $8.7 million at December 31, 2004. Unused credit availability under our $10.0 million revolving line of credit at September 30, 2005 was $1.2 million.

The bank term loan and revolving line of credit are reported as current portion of debt in the balance sheet at September 30, 2005, since the term loan and the revolving line of credit mature in January 2006. In August 2005, the credit agreement was amended to extend the maturity date of CECO's $3.1 million term loan from August 31, 2005 to January 1, 2006. Additionally, Fifth Third Bank, our revolving credit lender, acquired the term debt interests of the other two participating banks, resulting in the consolidation of our total credit facility within one bank. This eliminated scheduled quarterly principal payments and reduced the rate of interest on the term debt by 100 basis points. Terms on the revolving line of credit remained unchanged.

We have received credit approval from our existing line of credit lender for a new loan agreement which is contingent upon closing the sale of our Cincinnati property.

In June 2005, we accepted an offer to sell our Cincinnati property with a contemplated closing date of July 15, 2005 subject to various contingencies. The purchase agreement called for 10.7 acres of real estate and improvements to be divided into two parcels, with the first parcel scheduled to close

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on or before July 15, 2005, for a purchase price of $6.9 million and the second parcel was scheduled to close on or before April 1, 2006, for a purchase price of $1.1 million. In July, August and September of 2005, the buyer exercised each of its three, thirty day options and extended the closing to October 31, 2005. In connection with these extensions, the buyer has paid nonrefundable extension fees of $175,000, which have been recorded as a contingent liability in the accompanying consolidated balance sheet.

On October 20, 2005, due to time constraints and other pending projects, the buyer chose to assign the agreement, with our consent, to a third party that had indicated its desire to purchase the Cincinnati properties. Therefore, the agreement was amended and the buyer transferred all of its right, title and interest under the agreement to Millworks Town Center, LLC. In addition, under the amendment, the closing of Parcel A has been extended until December 31, 2005.

The refundable deposit of $200,000 that was held in escrow was returned to the buyer by the title agent. The extension fees paid by the buyer, totaling $175,000, were retained by us in accordance with the terms of the original agreement. The closing of the acquisition is still subject to various customary closing conditions.

Overview of Cash Flows and Liquidity

($'s in thousands)	For the nine months ended September 30, 2005	2004
Total operating cash flow provided by (used in)	$ 545	$ (112)
Net cash used in investing activities	(452)	(281)
Net cash provided by financing activities	101	461
Net increase	$ 194	$ 68

Cash provided by operating activities increased to $545,000 in 2005 compared to cash used in 2004 of $112,000. Cash provided by operating activities for the first nine months of 2005 was the result of a decrease of $740,000 in costs in excess of billings and estimated earnings on uncompleted contracts and an increase in accounts payable of $628,000, partially offset by an increase in accounts receivable of $596,000 and increases in prepaid expenses and other assets of $713,000, a decrease in billings in excess of cost and estimated earnings of $336,000 and an increase in inventories of $196,000. Other changes in working capital items used cash of $24,000. Our net investment in working capital (excluding cash and cash equivalents and current portion of debt) at September 30, 2005 and December 31, 2004 was $6.2 million and $5.8 million, respectively.

Net cash used in investing activities related to the acquisition of capital expenditures for property and equipment was $452,000 for the first nine months of 2005 compared with $281,000 for the same period in 2004.

Financing activities provided cash of $101,000 during the first nine months of 2005 compared with cash provided by financing activities of $461,000 during the same period of 2004. Approximately $1.1 million was borrowed against the line of credit and $1.0 million was used to reduce the term debt. We are managing our capital expenditure spending in light of the current level of sales. Should sales continue to increase in 2005, we would anticipate increased capital spending. Additionally, capital expenditures may be incurred depending on the ultimate disposition of our Cincinnati property.

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(unaudited)

Forward-Looking Statements

We desire to take advantage of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 and are making this cautionary statement in connection with such safe harbor legislation. This Form 10-Q, the Annual Report to Shareholders, Form 10-K or Form 8-K of the Company or any other written or oral statements made by or on our behalf may include forward-looking statements, which reflect our current views with respect to future events and financial performance.

The words “believe,” “expect,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “should” and similar expressions are intended to identify “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All forecasts and projections in this Form 10-Q are “forward-looking statements,” and are based on management’s current expectations of our near-term results, based on current information available pertaining to us.

We wish to caution investors that any forward-looking statements made by or on our behalf are subject to uncertainties and other factors that could cause actual results to differ materially from such statements. These uncertainties and other risk factors include, but are not limited to: changing economic and political conditions in the United States and in other countries, war, changes in governmental spending and budgetary policies, governmental laws and regulations surrounding various matters such as environmental remediation, contract pricing, and international trading restrictions, customer product acceptance, continued access to capital markets, and foreign currency risks.

We wish to caution investors that other factors might, in the future, prove to be important in affecting our results of operations. New factors emerge from time to time and it is not possible for management to predict all such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or a combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Investors are further cautioned not to place undue reliance on such forward-looking statements as they speak only to our views as of the date the statement is made. We undertake no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events or otherwise.

CECO ENVIRONMENTAL CORP.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Risk Management Activities

In the normal course of business, we are exposed to market risk including changes in interest and raw material commodity prices. We may use derivative instruments to manage our interest rate exposures. We do not use derivative instruments for speculative or trading purposes. Generally, we enter into hedging relationships such that changes in the fair values of cash flows of items and transactions being hedged are expected to be offset by corresponding changes in the values of the derivatives.

Interest Rate Management

We may use interest rate swap contracts to adjust the portion of our total debt that is subject to variable interest rates. Our interest rate swap contract matured in 2002 and was not renewed.

The remaining amount of loans outstanding under the Credit Agreement bear interest at the floating rates as described in Note 9 to the consolidated statements contained in the Company's 2004 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Credit Risk

As part of our ongoing control procedures, we monitor concentrations of credit risk associated with financial institutions with which we conduct business. Credit risk is minimal as credit exposure is limited with any single high quality financial institution to avoid concentration. We also monitor the creditworthiness of our customers to which we grant credit terms in the normal course of business. Concentrations of credit associated with these trade receivables are considered minimal due to our geographically diverse customer base. Bad debts have not been significant. We do not normally require collateral or other security to support credit sales.

CECO ENVIRONMENTAL CORP.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rule 13a-15(e)) under the Securities and Exchange Act of 1934 (the "Exchange Act") designed to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the specified time periods. Our Chief Executive Officer and Chief Financial Officer evaluated, with the participation of our management, the effectiveness of our disclosure controls and procedures as of September 30, 2005. Based on the evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective. There were no significant changes in our disclosure controls or in other factors that could significantly affect our disclosure controls and procedures subsequent to the evaluation.

Internal Controls Over Financial Reporting

We are not subject to the disclosure requirements promulgated under Section 404 of the Sarbanes-Oxley Act of 2002 regarding internal controls over financial reporting until we file our Annual Report on Form 10-K for the year ended December 31, 2007. There were no significant changes in our internal control over financial reporting that occurred during our most recent fiscal quarter that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

CECO ENVIRONMENTAL CORP.

PART II - -OTHER INFORMATION

ITEM 6. EXHIBITS

a. Exhibits

Exhibit 10.1 First amendment to restated and amended purchase agreement between Trademark Property Company and Kirk & Blum Manufacturing dated July 15, 2005.

Exhibit 10.2 Second amendment to restated and amended purchase agreement between Trademark Property Company and Kirk & Blum Manufacturing dated September 14, 2005.

Exhibit 10.3 Third amendment and assignment to restated and amended purchase agreement between Trademark Property Company, Millworks Town Center, LLC and Kirk & Blum Manufacturing dated October 20, 2005.

Exhibit 31.1 Rule 13(a)/15d-14(a) Certification by Chief Executive Officer

Exhibit 31.2 Rule 13(a)/15d-14(a) Certification by Chief Financial Officer

Exhibit 32.1 Certification of Chief Executive Officer (18 U.S. Section 1350)

Exhibit 32.2 Certification of Chief Financial Officer (18 U.S. Section 1350)

CECO ENVIRONMENTAL CORP.

SIGNATURE

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.

CECO ENVIRONMENTAL CORP.

/s/ Dennis W. Blazer

Dennis W. Blazer
V.P. - Finance and Administration and
Chief Financial Officer

Date: November 07, 2005

FIRST AMENDMENT TO RESTATED AND AMENDED PURCHASE AGREEMENT

This First Amendment to Restated and Amended Purchase Agreement ("**First Amendment**") is effective as of the 15th day of July, 2005, by **TRADEMARK PROPERTY COMPANY**, a Texas corporation ("**Purchaser**"), and **THE KIRK & BLUM MANUFACTURING COMPANY**, an Ohio corporation ("**Seller**").

WITNESSETH:

WHEREAS, Seller and Purchaser entered into that certain Restated and Amended Purchase Agreement dated June 20, 2005 ("**Agreement**"), covering the sale of two (2) separate parcels of land, as more particularly described therein; and

WHEREAS, Seller and Purchaser desire to amend the Agreement as set forth below;

NOW, THEREFORE, for good and valuable consideration — which the parties acknowledge receiving — Seller and Purchaser hereby agree to amend Section 2(b) of the Agreement to provide that if Purchaser at any time prior to the Closing of Parcel A discovers groundwater contamination existing in a Class A or Critical Resource aquifer within the Property or within any other portion of the Millworks development, including land owned by UNOVA and/or Milacron, then notwithstanding anything in the Agreement to the contrary, Purchaser may terminate the Agreement by written notice to Seller, and in such event, the Refundable Deposit shall be fully refundable to Purchaser.

Except as specifically modified by the terms of this First Amendment, all of the terms and provisions of the Agreement shall remain in full force and effect and unmodified and are hereby ratified by the parties. All defined terms used herein will have the same meaning as in the Agreement.

This Agreement may be executed in any number of counterparts, each of which will be an original, and all of which — when taken together — will constitute one (1) document. Facsimile signatures will be treated as original signatures for all purposes hereunder.

EFFECTIVE as of the day and year first above written.

THE KIRK & BLUM MANUFACTURING COMPANY,
an Ohio corporation

By: ______________________________

Name: ______________________________

Its: ______________________________

TRADEMARK PROPERTY COMPANY,
a Texas corporation

By: ______________________________

Name: ______________________________

Its: ______________________________

Exhibit 10.2

SECOND AMENDMENT TO RESTATED AND AMENDED PURCHASE AGREEMENT

This Second Amendment to Restated and Amended Purchase Agreement ("**Second Amendment**") is effective as of the 14th day of September, 2005, by **TRADEMARK PROPERTY COMPANY**, a Texas corporation ("**Purchaser**"), and **THE KIRK & BLUM MANUFACTURING COMPANY**, an Ohio corporation ("**Seller**").

WITNESSETH:

WHEREAS, Seller and Purchaser entered into that certain Restated and Amended Purchase Agreement dated June 20, 2005, as amended by that certain First Amendment to Restated and Amended Purchase Agreement dated July 15, 2005 (as amended, the "**Agreement**"), covering the sale of two (2) separate parcels of land, as more particularly described therein (unless otherwise defined herein, all defined terms in this Second Amendment will have the same meaning as in the Agreement); and

WHEREAS, Section 5 of the Agreement provides that the Closing of Parcel A must occur on or before July 15, 2005, subject to Purchaser's right to extend such closing for up to three (3) thirty (30) day periods ("**First**", "**Second**", and "**Third Extensions**", respectively);

WHEREAS, Purchaser has previously exercised its First and Second Extensions and has paid Seller Extension Fees of $50,000.00 for each extension;

WHEREAS, Purchaser desires to exercise its Third Extension right;

WHEREAS, Seller has agreed to extend the Third Extension so that after Purchaser exercises the Third Extension, the Closing of Parcel A must occur on or before October 31, 2005; and

WHEREAS, Seller and Purchaser desire to enter into this Second Amendment to evidence their agreement regarding the foregoing matters;

NOW, THEREFORE, for good and valuable consideration — which the parties acknowledge receiving — Seller and Purchaser hereby agree as follows:

1. By its execution of this Second Amendment, Purchaser hereby exercises the Third Extension.

2. Contemporaneously with Purchaser's execution of this Second Amendment, Purchaser is delivering to Seller $75,000.00 as the Extension Fee for the Third Extension.

3. Purchaser's exercise of the Third Extension will extend the Closing of Parcel A until on or before October 31, 2005, notwithstanding anything in the Agreement to the contrary.

Except as specifically modified by the terms of this Second Amendment, all of the terms and provisions of the Agreement shall remain in full force and effect and unmodified and are hereby ratified by the parties.

This Agreement may be executed in any number of counterparts, each of which will be an original, and all of which — when taken together — will constitute one (1) document. Facsimile signatures will be treated as original signatures for all purposes hereunder.

EFFECTIVE as of the day and year first above written.

THE KIRK & BLUM MANUFACTURING COMPANY, an Ohio corporation

By: ____________________________

Name: ____________________________

Its: ____________________________

TRADEMARK PROPERTY COMPANY,
a Texas corporation

By: ____________________________

Name: ____________________________

Its: ____________________________

Exhibit 10.3

**THIRD AMENDMENT AND ASSIGNMENT TO
RESTATED AND AMENDED PURCHASE AGREEMENT**

This Third Amendment and Assignment to Restated and Amended Purchase Agreement (**"Third Amendment"**) is effective as of the ____ of ____________, 2005, among **TRADEMARK PROPERTY COMPANY**, a Texas Corporation ("**Assignor**"), **MILLWORKS TOWN CENTER, LLC**, an Ohio limited liability company ("**Assignee**"), and **THE KIRK & BLUM MANUFACTURING COMPANY**, an Ohio corporation ("**Seller**").

WITNESSETH:

WHEREAS, Seller and Assignor entered into that certain Restated and Amended Purchase Agreement dated June 20, 2005, as amended by that certain First Amendment to Restated and Amended Purchase Agreement dated July 15, 2005, and the Second Amendment to Restated and Amended Purchase Agreement dated September 14, 2005 (as amended, the "**Agreement**"), covering the sale of two (2) separate parcels of land, as more particularly described therein (unless otherwise defined herein, all defined terms in this Third Amendment will have the same meaning as in the Agreement); and

WHEREAS, Assignor has previously deposited $200,000 Refundable Deposit pursuant to Section 2(b) of the Agreement;

WHEREAS, Assignor and Seller have previously agreed that the Closing of Parcel A must occur on or before October 31, 2005;

WHEREAS, Assignor desires to assign and transfer all of its rights and obligations under the Agreement to Assignee, and Assignee desires to accept such assignment and transfer based upon the amendments contained herein; and

WHEREAS, Seller consents to the assignment and transfer of all of Assignor's rights and obligations under the Agreement to Assignee;

NOW, THEREFORE, for good and valuable consideration – which the parties acknowledge receiving – Seller, Assignee and Assignor hereby agree as follows:

1. Assignor hereby ASSIGNS, TRANSFERS, SETS OVER, DELIVERS AND CONVEYS to Assignee all of Assignor's right, title, and interest as "Purchaser" under the Agreement, together with, to the extent assignable, all of Assignor's rights, duties, obligations under Assignor's Clean Ohio application and Assignor's Development Agreement with the City of Cincinnati (collectively, the "Clean Ohio and City of Cincinnati Documents").

2. Assignee hereby agrees to perform all of the covenants and agreements contained in the Agreement which are to be performed by the "Purchaser" thereunder and to otherwise fully assume all liabilities, obligations, and responsibilities of the "Purchaser" under the Agreement. Additionally, Assignee agrees to assume and perform all of Assignor's covenants and agreements contained in the Clean Ohio and City of Cincinnati Documents.

3. By its execution of this Third Amendment, Seller hereby consents to the assignment of the Agreement from Assignor to Assignee.

4. Seller hereby releases Assignor from all obligations of the "Purchaser" under the Agreement, and Seller agrees that in the event of any default of "Purchaser" under the Agreement, Seller shall not pursue any action against, nor make any demand to, Assignor in connection with such default.

5. Closing of Parcel A is extended until on or before December 31, 2005, notwithstanding anything in the Agreement to the contrary.

6. The $200,000.00 Refundable Deposit referenced in Section 2(b) of the Agreement shall be returned immediately to Assignor from the Title Company and shall not be required in order for the Agreement to remain in full effect, notwithstanding anything in the Agreement to the contrary.

7. The following language from the First Amendment to Restated and Amended Purchase Agreement shall be deleted from the Agreement:

> "Seller and Purchaser hereby agree to amend Section 2(b) of the Agreement to provide that if Purchaser at any time prior to the Closing of Parcel A discovers groundwater contamination existing in a Class A or Critical Resource aquifer within the Property or within any other portion of the Millworks development, including land owned by UNOVA and/or Milacron, then notwithstanding anything in the Agreement to the contrary, Purchaser may terminate the Agreement by written notice to Seller, and in such event, the Refundable Deposit shall be fully refundable to Purchaser, but in no event shall any "Extension Fee" be refundable to Purchaser under any circumstance. Purchaser shall pay to Seller the first "Extension Fee" with respect to Parcel A with Seller's execution of this Amendment."

All other conditions contained in Section 2(b) shall remain effective and Assignee shall continue to have the right to terminate the Agreement if any such conditions are not satisfied prior to Closing.

8. Environmental inspection reports, pursuant to Section 4 of the Agreement, shall be shared at the sole discretion of Assignor and Assignee with UNOVA and its environmental consultants. The environmental inspection reports include all investigation conducted by Assignor and its development partner, Vision Land Development. To the extent assignable, Assignor hereby assigns to Assignee all of Assignor's rights, title and interest in and to any environmental reports or audits and any other due diligence materials obtained by or within the control of Assignor in any way related to the Property. Assignor shall provide copies or originals of all such items to Assignee and execute such additional assignments and other documents as may be necessary to effectuate such assignments.

Except as specifically modified by the terms of this Third Amendment, all of the terms and provisions of the Agreement shall remain in full force and effect and unmodified and are hereby ratified by the parties.

This Agreement may be executed in any number of counterparts, each of which will be an original, and all of which – when taken together – will constitute one (1) document. Facsimile signatures will be treated as original signatures for all purposes hereunder.

(signature blocks on following page)

EFFECTIVE as of the day and year first above written.

ASSIGNOR:

TRADEMARK PROPERTY COMPANY,
a Texas corporation

By: ______________________________

Name: ______________________________

Its: ______________________________

ASSIGNEE:

MILLWORKS TOWN CENTER, LLC,
an Ohio limited liability company

By: ______________________________

Name: ______________________________

Its: ______________________________

SELLER:

THE KIRK & BLUM MANUFACTURING COMPANY,
an Ohio corporation

By: ______________________________

Name: ______________________________

Its: ______________________________

Exhibit 31.1

Certification

I, Phillip DeZwirek, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CECO Environmental Corp.;
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 Company as of, and for, the periods presented in this quarterly report;
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and we have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, 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 our disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
   c) Disclosed in this report any changes to our internal control over financial reporting that occurred during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to our auditors and the audit committee of our board of directors (or persons performing the equivalent function):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect our ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in our internal control over financial reporting.

/s/ Phillip DeZwirek

Phillip DeZwirek
Chairman of the Board and Chief Executive Officer
November 07, 2005

Exhibit 31.2

Certification

I, Dennis W. Blazer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CECO Environmental Corp.;

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 Company as of, and for, the periods presented in this quarterly report;

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

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, 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 our disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any changes to our internal control over financial reporting that occurred during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to our auditors and the audit committee of our board of directors (or persons performing the equivalent function):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect our ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in our internal control over financial reporting.

/s/ Dennis W. Blazer

Dennis W. Blazer
V.P. – Finance and Administration and Chief Financial Officer
November 07, 2005

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of CECO Environmental Corp. (the "Company") on Form 10-Q for the period ending September 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Phillip DeZwirek, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Phillip DeZwirek

Phillip DeZwirek
Chairman of the Board and Chief Executive Officer
November 07, 2005

A signed original of this written statement required by Section 906 has been provided to CECO Environmental Corp. and will be retained by CECO Environmental Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of CECO Environmental Corp. (the "Company") on Form 10-Q for the period ending September 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Dennis W. Blazer, V.P. – Finance and Administration and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Dennis W. Blazer

Dennis W. Blazer
V.P. – Finance and Administration and
Chief Financial Officer
November 07, 2005

A signed original of this written statement required by Section 906 has been provided to CECO Environmental Corp. and will be retained by CECO Environmental Corp. and furnished to the Securities and Exchange Commission or its staff upon request.