

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, DC 20549

FORM 10-QSB

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

For Quarter Ended JUNE 30, 1995 Commission file number 0-7099

 CECO ENVIRONMENTAL CORP.

NEW YORK

13-2566064

 (State or other jurisdiction of
 incorporation or organization)

(I.R.S. Employer
 Identification No.)

111 ELIZABETH STREET, SUITE 600, TORONTO, ONTARIO, CANADA MSG 1P7

 (Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code 416-593-6543

 Former name, former address and former fiscal year, if changed since last
 report.

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.

____X____ Yes _____ No

Indicate the number of shares outstanding of each of the issuer's classes of
 common stock as of the close of the period covered by this report.

Class: COMMON, PAR VALUE \$.01 PER SHARE
 OUTSTANDING at June 30, 1995 6,437,348

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
JUNE 30, 1995

INDEX

Part I - Financial Information:	
Condensed consolidated balance sheet as of June 30, 1995 and December 31, 1994	2
Condensed consolidated statement of operations for the three-month and six-month periods ended June 30, 1995 and 1994	3
Condensed consolidated statement of cash flows for the six-month periods ended June 30, 1995 and 1994	4
Notes to condensed consolidated financial statements	5 & 6
Management's discussion and analysis of the financial condition and results of operations	7 to 9
Part II - Other Information	10
Signature	11

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEET
(unaudited)

	JUNE 30, 1995	DECEMBER 31, 1994
	-----	-----
ASSETS		
Current assets:		
Cash	\$ 109,053	\$ 329,885
Accounts receivable	1,610,142	1,516,240
Inventories	394,318	405,008
Prepaid expenses and other current assets	79,533	51,124
Refundable income taxes	123,447	-
Deferred income taxes	7,769	7,769
	-----	-----
Total current assets	2,324,262	2,310,026
Property and equipment, net	2,085,595	2,138,117
Intangible assets, at cost, net	57,413	79,143
Goodwill	2,776,626	2,703,776
Deferred charges	125,000	-
	-----	-----
Total assets	\$7,368,896 =====	\$7,231,062 =====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term obligations	\$1,050,000	\$ 250,000
Due to officer	186,641	366,641
Current portion of long-term debt	164,887	187,424
Accounts payable and accrued expenses	544,564	920,891
Income taxes payable	-	89,368
	-----	-----
Total current liabilities	1,946,092	1,814,324
Long-term debt, less current portion	1,335,924	1,399,034
Deferred income taxes	67,124	67,124
	-----	-----
Total liabilities	3,349,140	3,280,482
Minority interest	768,602	852,267
	-----	-----
Shareholders' equity:		
Preferred stock, \$.01 par value; 10,000,000 shares authorized, none issued	-	-
Common stock, \$.01 par value; 100,000,000 shares authorized, 6,437,348 and 6,229,148 shares issued	64,373	62,291
Capital in excess of par value	6,765,060	6,483,142
Accumulated deficit	(3,179,610)	(3,048,451)
	-----	-----
Less treasury stock, at cost	3,649,823 (398,669)	3,496,982 (398,669)
	-----	-----
Net shareholders' equity	3,251,154	3,098,313
	-----	-----
Total liabilities and shareholders' equity	\$7,368,896 =====	\$7,231,062 =====

See accompanying notes to condensed consolidated financial statements.

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
 (unaudited)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1995	1994	1995	1994
	-----	-----	-----	-----
Net sales	\$1,957,119	\$3,046,044	\$3,836,534	\$5,369,282
	-----	-----	-----	-----
Costs and expenses:				
Cost of sales	1,291,188	1,768,057	2,424,610	3,029,542
Selling and administrative	723,078	781,370	1,433,367	1,628,937
Depreciation and amortization	106,994	108,586	213,400	185,656
	-----	-----	-----	-----
	2,121,260	2,658,013	4,071,377	4,844,135
	-----	-----	-----	-----
Income (loss) from operations	(164,141)	388,031	(234,843)	525,147
Interest expense (net)	(52,275)	(60,109)	(86,669)	(116,901)
	-----	-----	-----	-----
Income (loss) before provision (credit) for income taxes	(216,416)	327,922	(321,512)	408,246
Provision (credit) for income taxes	(53,688)	150,300	(106,688)	200,000
	-----	-----	-----	-----
Income (loss) before minority interest	(162,728)	177,622	(214,824)	208,246
Minority interest	57,372	(97,626)	83,665	(131,494)
	-----	-----	-----	-----
Net income (loss)	(\$ 105,356)	\$ 79,996	(\$ 131,159)	\$ 76,752
	=====	=====	=====	=====
Net income (loss) per share, primary and fully diluted	(\$.02)	\$.01	(\$.02)	\$.01
	=====	=====	=====	=====
Weighted average number of common shares outstanding	6,163,361	5,955,348	6,127,295	5,955,348
	=====	=====	=====	=====

See accompanying notes to condensed consolidated financial statements.

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(unaudited)

	SIX MONTHS ENDED JUNE 30,	
	1995	1994
	-----	-----
INCREASE (DECREASE) IN CASH		
Cash flows from operating activities:		
Net income (loss)	(\$131,159)	\$ 76,752
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	213,400	217,172
Amortization of deferred charges	25,000	-
Minority interest	(83,665)	131,494
Noncash expenses, officer's compensation and interest	25,799	-
(Increase) decrease in operating assets:		
Accounts receivable	(93,902)	195,624
Inventories	10,690	(33,120)
Prepaid expenses and other current assets	(28,409)	30,336
Refundable income taxes	(123,447)	37,290
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(376,327)	(27,091)
Customer advances	-	(39,855)
Income taxes payable	(89,368)	148,710
	-----	-----
Net cash provided by (used in) operating activities	(651,388)	737,312
	-----	-----
Cash flows from investing activities:		
Additions to property and equipment and intangible assets	(103,797)	(75,833)
	-----	-----
Net cash (used in) investing activities	(103,797)	(75,833)
	-----	-----
Cash flows from financing activities:		
Decrease in cash overdraft	-	(298,611)
Net borrowings (repayments) of short-term obligations	800,000	(214,888)
Repayments of long-term debt	(85,647)	(63,861)
Repayments of amounts due officer	(180,000)	(88,520)
	-----	-----
Net cash provided by (used in) financing activities	534,353	(665,880)
	-----	-----
Net (decrease) in cash	(220,832)	(4,401)
Cash at beginning of period	329,885	23,344
	-----	-----
Cash at end of period	\$109,053	\$ 18,943
	=====	=====

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid during the period for:		
Interest	\$ 78,369	\$ 88,787
	-----	-----
Income taxes	\$113,345	\$ 14,000
	-----	-----

See accompanying notes to condensed consolidated financial statements.

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary to present fairly the financial position as of June 30, 1995 and the results of operations for the three-month and six-month periods ended June 30, 1995 and 1994 and cash flows for the six-month periods ended June 30, 1995 and 1994. The results of operations for the three-month and six-month periods ended June 30, 1995 are not necessarily indicative of the results to be expected for the full year.

2. Inventories consisted of the following:

	June 30, 1995	December 31, 1994
	-----	-----
Raw materials	\$247,579	\$247,520
Work-in-process	27,806	45,906
Finished goods	118,933	111,582
	-----	-----
	\$394,318	\$405,008
	=====	=====

3. Other Assets

Investment in CECO Filters, Inc.

Pursuant to a Stock Exchange Agreement dated May 30, 1992, between the Company and IntroTech Investments, Inc. ("IntroTech"), a privately-held Ontario corporation, the Company exchanged 1,666,666 newly issued shares of its common stock for 1,666,666 shares of CECO Filters, Inc. ("CECO") owned by IntroTech. CECO is a Delaware corporation engaged in the pollution controls industry. It is a manufacturer of industrial air filters, with its corporate headquarters located in Conshohocken, Pennsylvania. The 1,666,666 shares of CECO common stock acquired by the Company are restricted. Those shares represented 24.51% of the outstanding shares of common stock of CECO.

During 1993 and 1994, the Company exchanged 2,091,764 and 263,800 additional shares, respectively, of its common stock for 2,091,764 and 263,800 shares of CECO's common stock with unrelated third parties. Also, during 1993, the Company acquired, for cash, an additional 20,100 shares of CECO's common stock from unrelated third parties. During the six months ended June 30, 1995, the Company exchanged 108,200 shares of its common stock for 108,200 shares of CECO's common stock with unrelated third parties. As of June 30, 1995, the Company owned 61% of CECO's common stock.

Summarized financial information of CECO as of and for the six months ended June 30, 1995, is as follows:

Financial position:	
Working capital	\$ 512,879
	=====
Total assets	\$ 4,717,412
	=====
Net shareholders' equity	\$ 1,560,913
	=====
Results of operations:	
Net sales	\$ 3,836,534
	=====
Loss before income taxes	(\$ 317,333)
	=====
Net loss	(\$ 210,645)
	=====

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
(unaudited)

4. Other Matters

The Company entered into an eighteen-month consulting agreement with an unrelated third party, effective April 1, 1995, to provide financial consulting services to the Company which will, among other things, help the Company to broaden its stock market appeal. As compensation, the consultant received an option to purchase 1,000,000 shares of the Company's common stock at \$2.50 per share, such option expiring April 30, 1996. The option price will be reduced to \$2.25 per share if such options are exercised on or prior to December 31, 1995. In addition, the Company issued 100,000 shares of its common stock to the consultant. The aforementioned stock options and common stock were valued by an independent third party to have an aggregate value of \$150,000 on April 1, 1995, such amount being recorded as a deferred charge to be amortized over the term of the consulting agreement.

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

Financial Condition, Liquidity and Capital Resources

The Company's consolidated cash position decreased from \$329,885 at December 31, 1994 to \$109,053 at June 30, 1995. This decrease of \$220,832 is attributable principally to the use of cash in operating activities of \$651,388 during the six months ended June 30, 1995 as compared to the same period in 1994 when the Company generated cash of \$737,312 from its consolidated operating activities. The timing of sales orders and shipments can heavily affect cash provided by or used in operations. The Company increased its borrowings under its line of credit by \$800,000 during the six months ended June 30, 1995 to \$1,050,000. CECO maintains a \$1,250,000 line of credit with a commercial bank. The credit facility is available for working capital needs, investment activities and other general corporate needs. During the six months ended June 30, 1995, the Company also repaid \$180,000 of the amount due to officer.

The Company's current ratio declined slightly from 1.27 on December 31, 1994 to 1.19 on June 30, 1995.

Expenditures for property and equipment amounted to \$103,797 for the six months ended June 30, 1995. The Company intends to continue to invest in capital equipment to support continued growth.

Management believes that CECO's expected revenues from operations, supplemented by the available line of credit, will be sufficient to provide adequate cash to fund anticipated working capital and other cash needs during the remainder of the year.

Prior to July 1, 1994, the Company's operating expenses had been funded by Phillip DeZwirek for the past several years. After July 1, 1994, the Company's operating expenses have been funded by the revenue earned from its consulting agreement with CECO and other consulting revenue.

As of March 31, 1995, the Company owed Mr. DeZwirek an aggregate of \$186,641 (including interest) on account of advances from Mr. DeZwirek. All advances from Mr. DeZwirek are repayable on demand, though Mr. DeZwirek has advised the Company that he has no present intention of demanding repayment for at least one year. However, the Company will continue to repay such advances to Mr. DeZwirek if there are sufficient funds available for repayment. Mr. DeZwirek has also advised the Company that he intends to continue to make advances to the Company if needed during the current fiscal year.

The Company and CECO have entered into a five year written management and consulting agreement, dated January 1, 1994, which became effective on July 1, 1994, pursuant to which the Company provides management and financial consulting services to CECO for a monthly fee of \$20,000 until the agreement expires in December, 1998. Such revenue should be sufficient to cover the Company's general and administrative expenses and interest expense.

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

Results of Operations - The Company

The Company's consolidated statement of operations for the three-month and six-month periods ended June 30, 1995 and 1994 reflects the operations of the Company consolidated with the operations of CECO. As a result of multiple stock acquisitions, the Company, effective April 7, 1993, owned a greater than 50% interest in CECO. Transactions not related to the operations of CECO were minimal, and included consulting, legal and accounting fees, as well as interest and stock issuance related expenses. Minority interest has been presented as a reduction in loss before minority interest, and accordingly, is representative of 39% of CECO's net loss for the six-month period ended June 30, 1995.

Results of Operations - CECO Filters, Inc.

Comparison of six months ended June 30, 1995 to six months ended June 30, 1994

Sales were approximately \$3.8 million and \$5.4 million for the six-month periods ended June 30, 1995 and 1994, respectively. This represents a decrease of 28.5%. The decrease in sales from 1994 to 1995 was attributable principally to less sales orders and lower sales backlog at the end of the year.

CECO's backlog of orders at August 1, 1995 was approximately \$4,000,000 as compared to approximately \$3,900,000 at August 1, 1994 and has increased from \$1,500,000 at March 31, 1995. There can be no assurance that order backlog will be replicated, or increase, from quarter to quarter. The success of CECO's business depends on a multitude of factors that are out of the CECO's control. CECO's operating results can be significantly impacted by the introduction of new products, new manufacturing technologies, rapid change in the demand for its product, decrease in the average selling price over the life of a product as competition increases, and CECO's dependence on the efforts of middle men to sell a portion of its products.

CECO's overall cost of sales increased as a percentage of sales for the six months ended June 30, 1995 compared to the six months ended June 30, 1994. The increase can be attributed to increases in raw material costs, as well as higher costs incurred to service CECO's products. CECO continues to use the latest technology available in an effort to reduce both cost of sales (and the maintenance of optimal inventory levels) and operating expenses, and ultimately increase overall company profits.

CECO's selling and administrative expenses amounted to \$1,352,838 for the six-month period ended June 30, 1995 compared to \$1,601,057 for the six-month period ended June 30, 1994, representing a reduction of \$248,219 or 16%. A substantial portion of the selling and administrative expenses are fixed in nature.

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

Results of Operations - CECO Filters, Inc. - Continued

Interest expense decreased during the six-month period ended June 30, 1995, when compared to the same period in 1994. The decrease in interest expense can be attributed to a reduced utilization of the bank line of credit during the six months ended June 30, 1995 compared to the previous year.

The credit for federal and state tax income taxes for the six-month period ended June 30, 1995 amounted to \$106,688 compared to a provision for federal and state income taxes of \$200,000 for the six-month period ended June 30, 1994.

CECO incurred a pre-tax loss of \$317,333 for the six-month period ended June 30, 1995, as compared to pre-tax income of \$495,756 for the six-month period ended June 30, 1994. This change is attributed primarily to the decrease in sales for the six-month period ended June 30, 1995 over the comparable period in 1994.

Comparison of three months ended June 30, 1995 to three months ended June 30, 1994

Sales were approximately \$2 million and \$3 million for the three-month periods ended June 30, 1995 and June 30, 1994, respectively. This represents a decrease of 35.7%. The decrease in sales from 1994 to 1995 was attributable principally to less sales orders and lower sales backlog at the end of the year.

CECO's overall cost of sales increased as a percentage of sales for the three months ended June 30, 1995 compared to the three months ended June 30, 1994. The increase can be attributed to increases in raw material, as well as higher costs incurred to service CECO's products. CECO continues to use the latest technology available in an effort to reduce both cost of sales (and the maintenance of optimal inventory levels) and operating expenses, and ultimately increase overall company profits.

CECO's selling and administrative expenses amounted to \$672,565 for the three month period ended June 30, 1995 compared to \$785,646 for the three month period ended June 30, 1994, representing a reduction of \$113,081 or 14%.

CECO paid the Company \$60,000 during the three-month period ended June 30, 1995 in connection with its management and consulting agreement.

CECO incurred a pre-tax loss of \$199,602 for the three-month period ended June 30, 1995, as compared to pre-tax income of \$369,879 for the three-month period ended June 30, 1994. The change is attributed primarily to the decrease in sales for the three-month period ended June 30, 1995 over the comparable period in 1994.

Interest expense during the three-month period ended June 30, 1995, when compared to the same period in 1994 was approximately the same.

The credit for federal and state tax income taxes for the three month period ended June 30, 1995 amounted to \$53,687 compared to a provision for federal and state income taxes of \$150,300 for the three-month period ended June 30, 1994.

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES

PART II - OTHER INFORMATION

- Item 1. Legal Proceedings
There have been no changes since the Company's last report in Item 3, "Legal Proceedings" of Form 10-KSB for the year ended December 31, 1994.
- Item 2. Changes in Securities
Not applicable
- Item 3. Defaults Upon Senior Securities
Not applicable
- Item 4. Submission of Matters to Vote of Security Holders
None
- Item 5. Other Information
None
- Item 6. Exhibits and Reports on Form 8-K
(a) Exhibits - None
(b) Reports on Form 8-K - None

CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES

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.

Phillip DeZwirek

Phillip DeZwirek
Chief Financial Officer
Chief Executive Officer

Date: August 10, 1995

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF CECO ENVIRONMENTAL CORP. AND SUBSIDIARIES AS OF AND FOR THE SIX MONTHS ENDED JUNE 30, 1995 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

6-MOS	DEC-31-1995	
	JUN-30-1995	
		109,053
		0
		1,610,142
		0
		394,318
		2,324,262
		3,165,436
		1,079,841
		7,368,896
1,946,092		1,500,811
		64,373
		0
		0
		3,186,781
7,368,896		3,836,534
		3,836,534
		2,424,610
		4,071,377
		86,669
		0
		86,669
		(321,512)
		(106,688)
(131,159)		0
		0
		0
		(131,159)
		(.02)
		(.02)