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CVD EQUIPMENT CORP  
Form 10QSB  
November 15, 2006

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

Form 10-QSB

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended September 30, 2006

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from \_\_\_\_ to \_\_\_\_  
Commission file number: 1-16525

CVD EQUIPMENT CORPORATION  
(Name of Small Business Issuer in Its Charter)

New York 11-2621692  
(State or Other Jurisdiction of  
Incorporation or Organization) (I.R.S. Employer Identification No.)

1860 Smithtown Avenue  
Ronkonkoma, New York 11779  
(Address including zip code of registrant's Principal Executive Offices)

(631) 981-7081  
(Issuer's Telephone Number, Including Area Code)

Securities registered under Section 12(b) of the Act:  
None

Securities registered under Section 12(g) of the Act:  
Common Stock, Par value \$0.01  
(Title of class)

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such 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  No

Indicate by check mark whether issuer is a large accelerated filer, an accelerated filer or a non-accelerated filer See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act). (check one)  
Large accelerated filer  Accelerated filer  Non-accelerated filer

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 3,231,000 shares of Common Stock, \$0.01 par value at November 10, 2006.

CVD EQUIPMENT CORPORATION AND SUBSIDIARY

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PART 1 - FINANCIAL INFORMATION

Item 1 - Financial Statements

CVD EQUIPMENT CORPORATION AND SUBSIDIARY  
Consolidated Balance Sheets

September 30, 2006  
(Unaudited)  
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Current Assets:	
Cash and cash equivalents	\$ 354,480
Accounts receivable, net	2,187,040
Cost in excess of billings on uncompleted contracts	591,088
Inventories	2,660,015
Other current assets	138,957

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Total current assets	5,931,580
Property, plant and equipment, net	4,875,082
Deferred income taxes	241,774
Other assets	728,395
Intangible assets, net	86,079
	-----
	\$11,862,910
	=====
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current Liabilities:	
Current maturities of long-term debt	\$ 240,913
Short-term notes payable	125,000
Accounts payable	669,683
Accrued expenses	934,535
Accrued professional fees - related party	20,000
Deferred revenue	186,560
	-----
Total current liabilities	2,176,691
Long-term debt, net of current portion	2,824,349
	-----
Total liabilities	5,001,040
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Commitments and contingencies	---
Stockholders' Equity	
Common stock, par value \$.01 per share, authorized 10,000,000 shares; issued and outstanding, 3,221,000 shares at September 30, 2006 and 3,127,800 shares at December 31, 2005	32,210
Additional paid-in capital	3,307,194
Retained earnings	3,522,466
	-----
	6,861,870
	-----
	\$11,862,910
	=====