

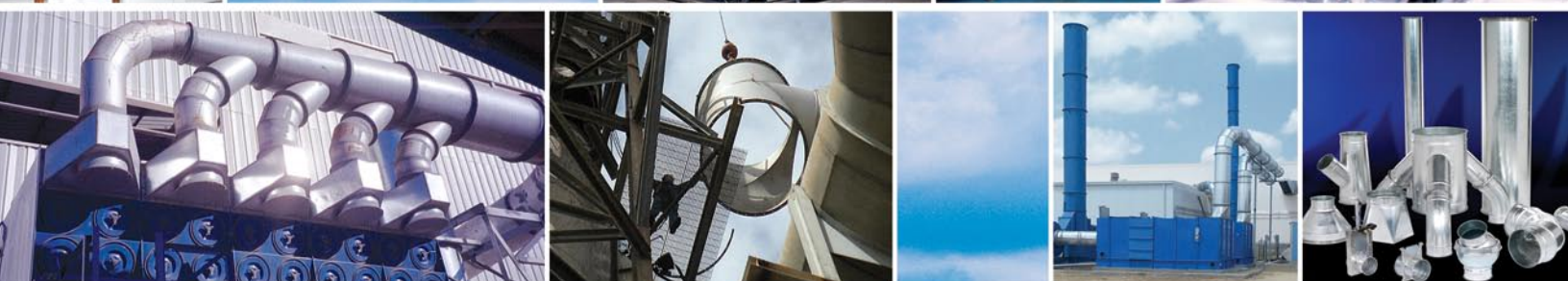


CECO Environmental

2007 ANNUAL REPORT



I N T E G R A T E D C L E A N A I R S O L U T I O N S





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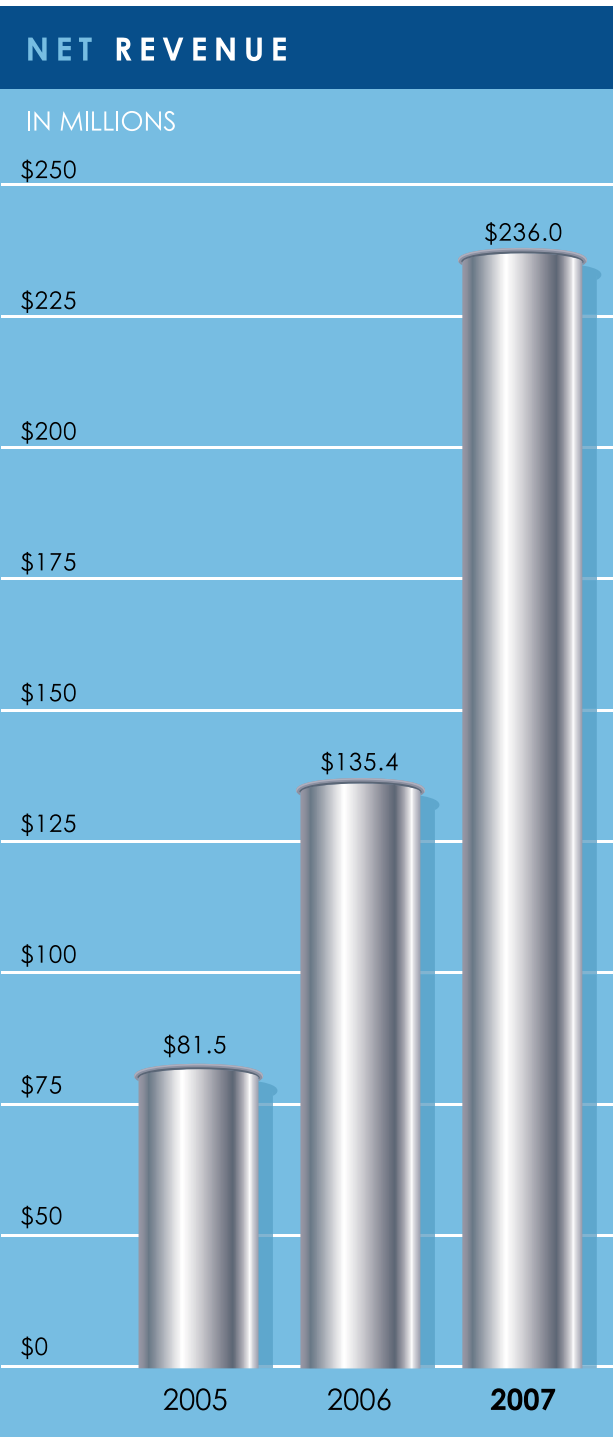
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NASDAQ: CECE

RESULTS AT A GLANCE

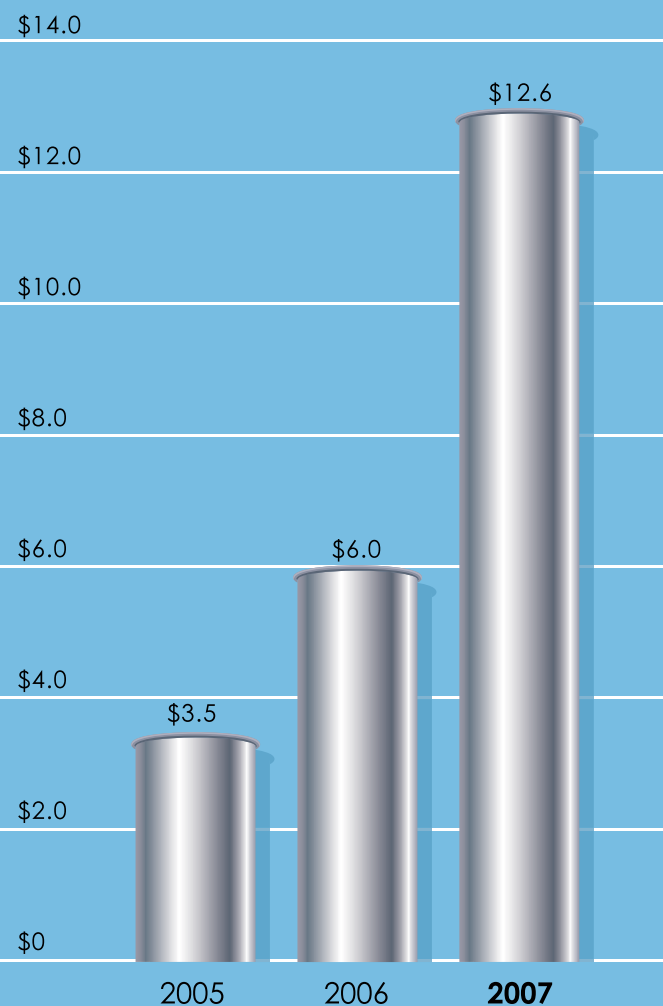


FINANCIAL SUMMARY

IN THOUSANDS	2005	2006	2007
Net revenue	\$81,521	\$135,359	\$235,953
Operating income	3,525	6,047	12,634
Net (loss) income	(435)	3,094	6,305
Cash provided by (used in) operations	2,586	(4,281)	3,958
Backlog	28,900	97,100	85,500

OPERATING INCOME

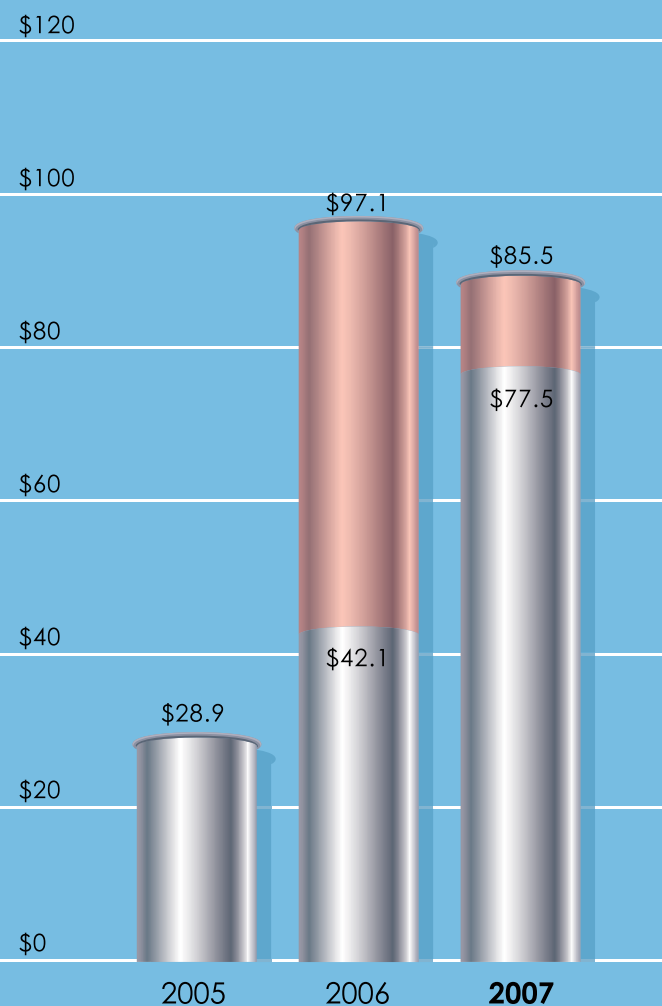
IN MILLIONS



BACKLOG

IN MILLIONS

■ Large One Time Order
■ Base Backlog



Dear Fellow Shareholders:

CECO Environmental enjoyed yet another record year in 2007. Our financial performance, both top and bottom line, was by far the best in company history as we delivered four consecutive quarters of record sales and profits.

We see great opportunities ahead in the “green revolution” evolving across the globe. In fact, we believe our growth in 2007 recognizes that we are out-front in catching the wave.

We continued to broaden our base of satisfied customers worldwide and to build long-term shareholder value. We positioned the company for future success by growing both organically and through acquisition. We strengthened our competitive standing in every market we serve by adding technologies and capabilities.

While we have competition in everything we do, no single competitor can match our range of complete turnkey solutions. The gap is wider than ever with our acquisition in 12 months of three market leaders in clean air technologies.

Turnkey systems have become increasingly important to companies around the world that are striving to reduce staff while being good stewards of the environment. Our single-source solutions are particularly attractive for air pollution control systems, a burgeoning worldwide market that is expected to reach \$250 billion in annual capital and operational costs by 2015. This is an almost four-fold increase from 2004 expenditures.

Further in this report, we present a diagram illustrating how our four business groups – contracting, equipment, parts and engineering – form a complete “circle” that enables us to provide integrated clean air solutions to industries from food to foundries. From custom engineering and installation of turnkey systems to service and support to maintain peak performance, our four business groups work together to deliver seamless, value-added solutions for our customers.

In 2007, inter-company sales reached a record level of \$43 million. These impressive results are powerful evidence of the success that our vertical integration strategy is achieving.

Horizontally, we plan to continue to grow, either by acquisition or startup. Each step we take along this

strategic path benefits us by further diversifying our customer base in key growth markets worldwide.

By any measure, we believe CECO Environmental continues to fulfill our mission and heritage to **satisfy our customers and build shareholder value.**

2007 HIGHLIGHTS

We are pleased to report these 2007 achievements:

- Bookings in 2007 reached \$224.3 million, including acquired backlog from Efoxx and GMD of \$24.6 million. The order backlog at year-end totaled \$85.5 million.
- We successfully integrated Efoxx into our operations, which had an immediate positive impact on our top and bottom lines after we acquired the company in March. This key acquisition has enabled us to penetrate the power generation industry where \$150 billion is projected to be spent annually on air pollution control by 2015, up from \$35 billion spent in 2004. (Source: McIlvaine Company, World Market Forecast, 2004-2015)
- A successful secondary stock offering was completed in May that raised \$18.8 million and essentially eliminated our debt.
- Kirk & Blum ranked first among North American sheet metal contractors in *Engineering News-Record* magazine's annual listing of construction industry leaders published in October. The rankings were based on 2006 sales, and K&B's impressive 2007 sales suggest it will retain its industry-leading ranking.
- Kirk & Blum was recognized as an industry leader as it celebrated its centennial in 2007—100 years of providing integrated clean air solutions.
- In November, we acquired the operating assets of GMD Environmental, Inc. It offers a wide variety of equipment and capabilities to enhance CECO turnkey synergies, while providing geographical expansion to Gulf and Southwest industrial markets.
- We continued to increase our presence in key international markets by establishing an operation in Mexico. Several contracts already have been secured there as a result.

NOTABLE 2007 CONTRACTS

- Effox booked over \$30 million of new business during the 10 months of 2007 that it was part of CECO. The largest contract (over \$6 million) involves supplying dampers for pollution control systems at three power generation plants.
- Kirk & Blum secured several notable contracts, including:
 - Forest products industry; total over \$5 million
 - Pollution control systems for a Japanese-owned automotive manufacturing facility in the U.S.; total over \$3 million
 - High-temperature process air duct systems for a carbon fiber manufacturing facility; total over \$4 million
- CECO Abatement secured 10 separate contracts (all valued over \$1 million each) to provide VOC abatement systems for the ethanol industry. The largest of these contracts was approximately \$6 million. In keeping with our vertical integration strategy, all fabrication and installation work related to these contracts are being performed by Kirk & Blum.
- Busch International received a contract in excess of \$1.5 million for a fume exhaust system for a rolling mill in Russia.
- H.M. White, which secured the largest order in company history in 2006, continued its momentum with bookings exceeding \$45 million. The largest contract, approximately \$13 million, involved providing equipment for an automotive manufacturing facility in Canada.

NOTABLE 2008 CONTRACTS TO DATE

- H.M. White, in a collaboration with the CECO Energy Management Team, has secured a contract of approximately \$3.5 million for energy management work at an automotive plant.
- Kirk & Blum has secured a contract of approximately \$1 million to supply equipment for an automotive manufacturing facility.
- Kirk & Blum booked two contracts worth more than \$1 million each to supply equipment to a carbon fiber manufacturer and a specialty gas manufacturer.

- Effox booked approximately \$5.8 million of new business the first two months of the year, primarily in the power generation industry.
- Fisher-Klosterman, which joined CECO Environmental in March, brought with it \$12.0 million in backlog and \$8.5 million in bookings the first two months of 2008.

CLOSING

Going forward, we will continue to implement our long-term strategy of horizontal and vertical integration throughout the company's portfolio of equipment and services. We will seek to add technologies and capabilities to our turnkey platform through acquisition or new business startups. We will extend our market reach as an innovative world leader in clean air solutions and enhance our value to an expanding customer base.

Our strategy proved highly successful in 2007. Given our competitive standing in a rapidly expanding market, we remain strongly optimistic that CECO Environmental is perfectly positioned to achieve sustained growth for the foreseeable future.

Respectfully submitted,



A handwritten signature in black ink, appearing to read 'P. DeZwerek'.

Phillip DeZwerek
Chairman and
Chief Executive Officer



A handwritten signature in black ink, appearing to read 'R. Blum'.

Richard J. Blum
President and
Chief Operating Officer

OUR FULL-CIRCLE GROWTH STRATEGY

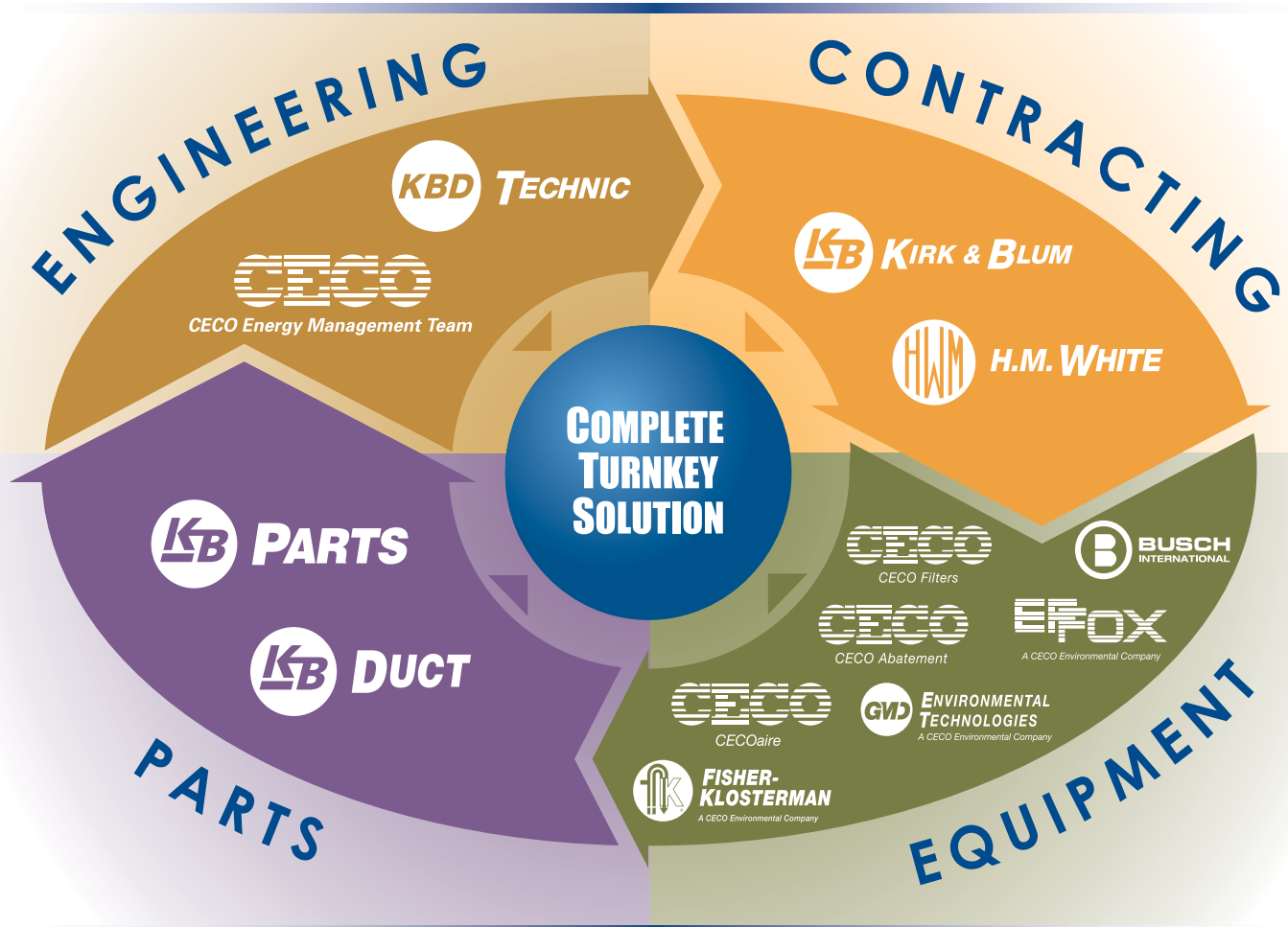


Michael J. Meyer
VP Corporate Sales
& Marketing

CECO Environmental has grown over three decades into a world leader in clean air solutions for industries of all sizes in all sectors. We believe our greatest growth lies ahead. Our company is uniquely positioned and structured to serve growing global demands for environmental quality across heavy industries.

A leading consulting group recently reported that customers are more risk averse than ever as they downsize and outsource work. They are less willing to piece-out large projects to several contractors, preferring a single point of responsibility — a total solution provider. We have been positioning CECO for this trend, and it plays to our strength as the only vertically integrated company in the air pollution control industry.

The illustration below highlights how our strength is built around complementary business units that can operate individually or in concert to take on projects of virtually any size.



LEVERAGING SYNERGIES

CECO Environmental's four business groups — contracting, equipment, parts and engineering — work together to provide integrated clean air solutions to industries from food to foundries, bio-fuel to textiles, basic metals to wood products. Unique in our field, we are a full-service air pollution control company, providing integrated solutions and turnkey capabilities through our 10 subsidiaries, 25 locations and 800 expert employees.

PRINCIPAL GROWTH DRIVERS

The principal drivers for our business going forward will be overall market growth, horizontal growth in capabilities and market reach, and organic growth within CECO.

Global Market Growth

Powerful global trends are driving rapid growth in CECO Environmental's key areas of market focus:

- **Air pollution control systems** — The “green” consciousness evolving worldwide is raising public expectations, political pressures and government environmental enforcement standards on industrial plants. Even China is beginning to institute air pollution control policies. Global demand for air pollution control systems is expected to grow nearly four-fold by 2015, reaching \$250 billion a year.
- **Energy efficiency** — Many industries have huge energy requirements for process air and plant comfort. Rising energy costs, global demand and tightening supplies are making energy conservation a “hot button” priority. Projections indicate that energy costs will account for 15 percent of all U.S. manufacturing costs by 2010.



Horizontal Growth

We expand our capabilities and resources by aggressive, but highly selective, acquisitions. We look for companies that are proven leaders in their fields, with complementary products and services for further integration synergies, and access to additional markets.

The acquisition of Efoxx in early 2007 gave us a presence in the power generation market and made a positive contribution to our top and bottom lines.

The acquisition of Texas-based GMD Environmental Technologies in November added proprietary technologies to CECO's clean air arsenal, headed by enclosed TETS™ pollutant removal systems, mold sand reclamation systems for foundries, and heat-exchanger-equipped baghouses. GMD provides fabrication capabilities to serve diverse southwest U.S. industries and gives CECO additional presence in China, where GMD has completed its first project.

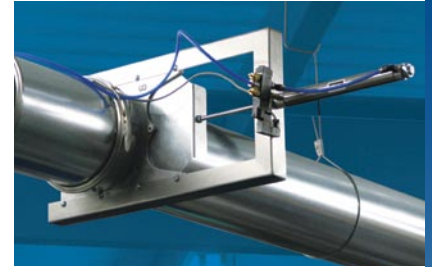
Fisher-Klosterman, acquired in March 2008, adds its highly respected products to CECO's solutions matrix — particularly high-efficiency XQ Series Cyclones, Buell® FCC Cyclones, scrubbers, and baghouses. It gives CECO additional physical presence in the Pacific Rim market with a new manufacturing facility/office in Shanghai (*photos*).



Organic Growth

A dynamic organization, responsive to market opportunities, CECO Environmental registered 2007 organic growth on three fronts:

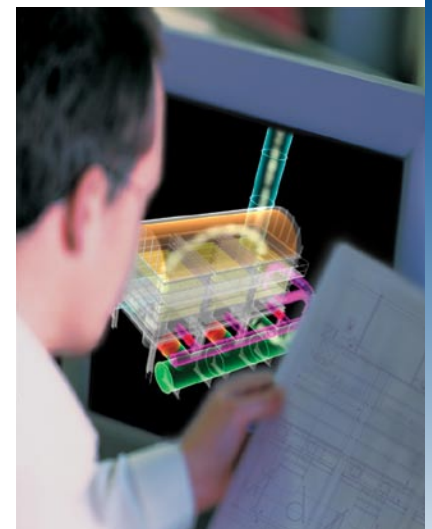
- **New business** — The CECO Energy Management Team (CEMT) provides diagnostic and engineering expertise for reducing energy costs, raising ventilation system efficiencies, and capturing/reusing waste heat. Besides its own revenue, CEMT is proving an excellent “rain maker” for fabrication and installation work by other CECO units.
- **Geographic/market expansion** — We established CECO de Mexico to serve growing project work and business opportunities, created a new K&B Duct plant in Salt Lake City to support west coast demand, opened a larger K&B facility in Canton, Mississippi, and established a new southeast regional office for kbd/Technic in Greenville, SC.
- **New products** — 2007 saw the introduction of a new “wet” Jet*Star cooling system from Busch International for strip cooling in mills and plants. K&B Duct brought to market two systems with strong market potential. AutoAire™ cut-off gates (*top photo*) enable greater control of fan energy use in dust collection systems. A new Oil-Mist Accumulator (*bottom photo*) reduces the load on any type of industrial mist collection system by pre-filtering and recycling the heaviest loading of liquid.



Solution Synergies / Localized Service

The synergies between our individual units allow CECO Environmental to meet any industrial air quality need of our customers. Our engineers can design total plant ventilation systems or revise existing systems. They can provide systems analysis to ensure maximum operational efficiency and plant productivity. Our emissions testing service ensures compliance with latest environmental regulations. Extensive fabricating and contracting capabilities allow us to build and install systems of any size. Aftermarket parts and service continue customer relationships and satisfaction, while generating on-going revenue from completed projects.

This solutions-based approach to industrial air ventilation and air quality allows us to design, build and install complete systems to meet unique customer needs as well as government regulatory requirements. While delivering unmatched synergies on massive projects, our decentralized structure lets us keep a “small company” focus on customers, provide localized service, and maintain a high level of customer satisfaction.



Special delivery service

Nearly everything Effox supplies to coal-fired utility generation plants is massive, but a 2007 job for a North Carolina electric utility added challenging complications. First, all the flue gas control devices — three 18 x 18 ft. zero-leak slide gate dampers, five 8 x 22.5 ft. active bypass louver dampers, and six louver dampers for fan control — needed to be built on a compressed schedule. Second, the specifications required the bypass louvers to open in less than 5 seconds. To satisfy this criterion, the Effox engineering team developed a unique damper and drive system. Third, the customer wanted all components, even the huge slide gate dampers, to ship in one piece to avoid high field assembly expense. Effox's ability to secure shipping permits for the huge components saved thousands of dollars in equipment installation, but raised delivery problems. North Carolina restricts super-wide loads on its highways to Sunday mornings. Effox shipped the components under escort to the North Carolina border and staged the trucks there until early Sunday morning for delivery to the job site.



Heavy metal for wood plant

A winning combination of size, experience and accessibility earned CECO Environmental a massive project fabricating duct and dryer systems for a new greenfield MDF (medium density fiberboard) plant in Alabama. It is the first U.S. plant for an Austrian company that is the global leader in wood-based panels and wood-laminate flooring. Nearly 300 tons of steel, all but 50 in stainless, went into dryer system components – air mixer chamber, 8 ft. diameter dryer duct and 10 ft. diameter exhaust duct. The 750 linear feet of massive duct was mounted on structural steel bridging. However, the biggest challenge was fabricating and transporting two high-efficiency dryer cyclones, each 21 ft. diameter x 83 ft. tall, then installing them into a 172 ft. high plant superstructure – from above. The installation required nerve-wracking crane lifts, careful threading of the cyclones down through the superstructure and perfect match-up between predrilled holes in the superstructure and cyclone mounts. Kirk & Blum-Columbia, Tennessee, closest CECO fab center, handled the bulk of the fabrication, creating the massive structures with exacting precision, and providing "our problem, not your problem" project management. The site manager for the Austrian company, which has built 26 plants in 14 different countries, rated CECO's capabilities "as good as anybody, anywhere."



Carbon fiber plant ducts / piping

Kirk & Blum's Columbia, Tennessee and Lexington, Kentucky operations partnered to produce \$5 million in duct and piping for an Alabama plant expansion by the world's leading maker of stronger-than-steel carbon fibers. K&B Columbia fabricated and installed the ductwork for process air and building HVAC. K&B Lexington fabricated 21,000 feet of 321 stainless steel process piping and connector sections (*photo*), the majority in 8 in. and 10 in. diameters. It supplies the carbonization unit and handles temperatures up to 850°F. Carbon fiber is created by precisely controlled heat transformation – carbonizing – of “white” PAN (polyacrylonitrile) fibers. The process generates high temperatures requiring the special high-temp stainless steel piping. The 2007 plant expansion doubled carbon fiber output to 8.0 million lbs/year to meet rapidly rising demand from aerospace, automotive, industrial and recreational manufacturers.



Fast track to pharmaceuticals

Kirk & Blum Lexington shortened construction time from a projected six months to four and provided cost-reduction engineering as general contractor on new pharmaceutical labs at Cardinal Health, Winchester, KY. Four 20 x 20 ft. processing labs were created to handle contract production of a new solid-dose oral medication for a drug company. Time to market was critical; Cardinal customers want drugs brought to market as soon as possible after regulatory approvals. Adding difficulty, K&B did the construction work within existing facilities, without disrupting on-going drug production operations or allowing dust migration in violation of FDA standards. Besides the four labs, additional space was outfitted by K&B with duct and piping for future lab additions. Also the primary sheet metal contractor on the job, K&B was chosen for general contractor based on fast-track performance and field-engineering capability demonstrated on earlier projects at Cardinal.



Oil mist control at Mexico engine plant

Created in 2007 to provide in-country project management, CECO de Mexico is getting off to a fast start with an oil mist removal system for a new engine plant in Saltillo for a North American auto company. Due for 2008 completion, the plant will machine engine heads, blocks and cranks. An interface for other CECO businesses on projects in Mexico, CECO de Mexico is assisting H.M. White on the Saltillo work. The oil mist system is a carbon copy of an installation that H.M. White is building in Michigan for the same automaker. The up-draft systems capture oil mist coming off the machining operations and transport it to filter collectors, thereby protecting air quality and employee hygiene. CECO de Mexico offers project responsibility for issuing purchase orders, obtaining permits and approvals, selection of Mexican subcontractors for fabrication and installation, and control over quality and schedule.



Souped up truck painting

H.M. White won the contract for a new cab painting facility for a truck maker's Ontario plant by recommending the repurposing of an existing building, originally a soup plant. The conversion saved considerable dollars over the construction of an all-new facility. H.M. White handled the engineering and approvals, complying with all Canadian regulations, served as general contractor on concrete and construction work, and was responsible for equipment installation. The project included turnkey conveyors throughout the entire plant, scuff sand and prep booth, three paint booths (base coat 1, base coat 2 and clear coat) equipped with four paint robots each. Also involved were paint mix and circulation systems capable of delivering any of 4,000 different colors, a top coat cure oven, cab load and unload area, and VOC abatement system. A cascading air management system minimizes fresh air/conditioning requirements. The entire project from engineering start to plant completion took just 15 months.



Major installations both sides of the globe

Busch International demonstrated its world leadership in design and manufacture of specialized air pollution control systems for metal finishing operations in 2007 - providing major installations in North America and China.

Air pollution is an important issue in China, winning Busch a project supplying air pollution control systems for a large new mill. Busch has provided five major installations to date in China.

In North America, Busch applied its new Jet*Star Air/Water cooling technology (*lower photo*) to a full-scale automotive-grade galvanizing line. The patented Jet*Star technology cools moving steel strip more quickly and uniformly to make possible better throughput and quality. Busch expects increasing opportunities for Jet*Star in 2008 and beyond.





David D. Blum
President

America's No. 1 sheet metal contractor

The Kirk & Blum Contracting Group had its best year ever in 2007. Hitting on all cylinders, every unit within the group recorded record revenues, powering K&B to #1 spot on *Engineering News-Record's* annual list as America's largest sheet metal contractor.

2007 proved particularly diverse with an almost ideal balance between direct business and "internal" business — fabrication/installation support of other CECO Environmental businesses. Kirk & Blum won a lot of work from traditional markets — foundries, the brick industry and other basic building materials, steel industry, automotive OEMs and auto suppliers. It proved key in CECO's integrated solutions work for the ethanol industry, fabricating and installing driers, RTOs, and ductwork. K&B partnered with other CECO units on two major projects for foreign

manufacturers, both in Alabama — a major carbon fiber plant expansion and a new greenfield fiberboard plant for an Austrian company.

K&B expanded operations both nationally and internationally in 2007. It opened a new, larger facility in Canton, Mississippi to serve industrial growth in that area. K&B started its first business unit inside Mexico, CECO de Mexico. Shared with H.M. White, the unit had healthy bookings entering 2008, including an oil mist system for machining lines at an OEM automotive engine plant expansion. K&B expects CECO de Mexico to grow substantially handling work in Mexico for U.S., international and Mexican companies.



William H. White
President

Paint systems and air pollution control

Detroit-based H.M. White enjoyed an extraordinary year, quadrupling sales over 2006. The key driver in the surge was a massive project at an OEM automotive plant in Tennessee creating a new body pretreatment (before paint) facility along with all processing equipment and conveyors. Closely allied with the automotive industry, H.W. White also supplied a new cab paint system for an Ontario truck plant.

White partnered with Kirk & Blum in establishing a new CECO de Mexico operation and teamed with Kirk & Blum's Louisville, Lexington, Indianapolis and Columbia operations, as well as CECO Abatement, on various projects.

H.M. White expects to continue strong business levels in 2008. Tightening environmental standards and "green" forces are sustaining solid demand in North America for air pollution control systems, while environmental and efficiency issues are causing vehicle producers to upgrade paint operations. Supporting CECO's global expansion plans, H.M. White is beginning to bid on international projects in its proven areas of expertise.



A CECO Environmental Company



Jack Neiser
President

Large dampers and expansion joints

Effox is the industry leader in massive, engineered-to-order dampers and flue duct expansion joints for utility power generation and industrial plants around the world. It achieved excellent 2007 results and was a strong contributor to CECO's outstanding performance.

Work in coal-fired utilities was the major business driver in 2007, generating record revenue and building a strong backlog for 2008. Effox provided equipment for both new boiler construction and air pollution control projects. New construction will temper a bit in 2008, but Effox expects a steady flow of environmentally-driven pollution control projects at coal-fired plants.

Gas-fired power generation made a comeback in 2007 and Effox anticipates continuing activity in this market.

Industrial sector business — cement, steel, refining, ethanol, and wood products — remains strong for both process and pollution control equipment.

A key supplier to major equipment manufacturers of systems that clean the air, Effox sees strong growth prospects from new environmental legislation around the world aimed at reducing air pollution contaminants in flue gas exhausts.



Gerry A. Lanham
President and GM

Air systems/emissions testing and engineering

The Stack Testing section continued its string of profitable years with large contracts at several automotive plants in the midwest and south focused on paint line VOC control. This business will be driven in the future by federal MACT standards and new control technology that must be tested and verified.

The Engineering unit marked its first expansion in 2007, opening a branch office in Greenville, S.C. The office allows quicker response to customer needs for better emissions control technology. The office is centrally located to the concentration of automotive plants in the area.



A CECO Environmental Company



William Heumann
Chief Executive Officer

Air pollution control and separation systems

The newest CECO company, Fisher-Klosterman extends our solution synergies both technologically and geographically - particularly to China with a 40,000 sq. ft. office/production facility. Fisher-Klosterman offers 60 years of engineering and application expertise in air pollution control, particulate separation and product recovery. A wide array of capabilities - cyclones, classifiers, electrostatic precipitators, air filtration equipment and scrubbers - has earned the company a powerful reputation for delivering turnkey solutions. It is especially well known for

severe-duty systems dealing with extreme temperature, pressure, corrosion or wear. The high-performance systems have earned the company strong relationships with industry leaders in petroleum refining, power production, petrochemicals and manufacturing. Fisher-Klosterman's Louisville plant specializes in cyclones, scrubbers and media filtration, while the Buell Division in Lebanon, PA, specializes in severe-duty cyclones, electrostatic precipitators, baghouses, and aerodynamic classifiers.



CECO Abatement



Robert A. Cloud
President & GM

VOC control systems for manufacturing industries

CECO Abatement Systems again exceeded revenue and earnings over the previous year. In 2007 it completed several large projects that allowed the group to leverage the talents of several other units within the CECO family.

A project at a grain processing facility involved two large regenerative thermal oxidizers (RTOs) from CECO Abatement Systems, as well as cross-selling the abilities of Kirk & Blum. Under this project integration, K&B performed the installation of the CECO Abatement-supplied equipment and received a majority of the upstream and downstream collection system work.

CECO Abatement continued strong presence in the ethanol market, installing and starting up pollution control systems at bio-refining facilities located in Iowa, Indiana, South Dakota, and Ohio.

Business opportunities for ethanol do not look as strong domestically going into 2008, primarily because of ethanol market saturation. CECO Abatement will target opportunities in other industries requiring RTO systems to contain and incinerate volatile organic compounds (VOCs).



ENVIRONMENTAL TECHNOLOGIES
A CECO Environmental Company



Gerald Reier
President

Strengthening CECO synergies

Acquired by CECO in November, Ft. Worth-based GMD completed the two largest contracts in company history in 2007, booked a still larger contract for 2008, and performed its first China project, GMD's own Cupola Emission Reduction and Treatment System (CERTS) for a foundry.

A leading provider of air pollution control and industrial ventilation systems, particularly to the metals industry, GMD expanded its proprietary technologies with:

- **Expanded TETS™** (totally enclosed treatment system) line, this time with a system for mercury (Hg).

GMD extends CECO's regional fabrication capabilities into the southwest, creates significant application synergies for products from other CECO units, and complements Kirk & Blum by partnering on contracting/fabrication projects. Its experience in China strengthens CECO's presence in the world's fastest growing industrial market, particularly with environmental issues receiving higher priority.

- **Thermo-Scrubber®** thermal sand recovery system for recycling a foundry's spent sand;



Stephen A. McDaniel
Vice President

Big growth for standard products

K&B Duct continued strong growth with 25 percent sales increase in 2007, on top of 27 percent in 2006. It makes and sells standardized duct system components and packaged systems for air treatment. While oil mist and welding fume collection continue to be K&B Duct's leading markets, sales to wood-working industries showed a strong growth curve.

AutoAire™, new automatic cut-off systems for duct air flow, sold so well that K&B Duct needed to triple production capacity. It plans to expand product capabilities to

complete control over the entire dust collection system, enabling better regulation of fan speed for energy savings. A new Oil-Mist Accumulator provides an economical, easy-to-install and easy-clean fix to saturation of oil mist collectors.

To serve the business growth, K&B Duct overhauled production procedures, shop layout and work scheduling. The changes reduced labor cost by 8-10 percent and further shortened throughput time by K&B Duct, already known for its fast delivery and product quality.



Dale P. Arvin
President & GM

Dust collection systems for heavy industry

CECOaire completed three significant dust collection systems in three different industries.

A 200,000 ACFM CECOaire baghouse is a unique design with larger than normal modules for material storage, eliminating the need for a separate storage silo. The baghouse included outlet ducting and stack for a new greenfield lime plant in Gallatin County, KY.

The first of two 90,000 ACFM CECOaire baghouses was installed in a USG wallboard plant in Norfolk, Va. The baghouses feature prefabricated modules to reduce installation time.

CECOaire supplied a new 120,000 ACFM, ten-compartment CECOaire baghouse as part of a Kirk & Blum turnkey environmental control project for a foundry.



William W. Frank
President & GM

Process air systems for metals industry

Busch International exceeded both revenue and income projections for 2007, and business opportunities remain strong for 2008. Offering complete design/build/install/support capabilities, Busch is the technology leader in three areas:

- Rolling mill fume control systems
- Jet*Star strip cooling and drying equipment
- Ventilation systems for mill processes and equipment

As the metals industry goes global, Busch expanded focus in 2007, executing projects in the U.S., China, Russia, Slovakia, Canada and Mexico. A manufacturing partnership in China allows Busch to serve that huge potential market with high quality, cost-effective equipment.

2007 also marked the start-up of the first full-scale Jet*Star vertical air/water strip cooling system. This patented technology provides a cost-effective solution to increasing the production speed of galvanizing lines, along with more rapid payback on invested capital.



Mary R. Keenan
President & GM

Emission control for chemical processes

Specializing in comprehensive filter solutions for chemical process industries, CECO Filters is gaining market share throughout the world, supported by manufacturing in the U.S. at Conshohocken, Pennsylvania and in India in District Kanchipuram. CECO Filters provides full capabilities from process application engineering and technical assistance to manufacturing and on-site filter re-packing.

Core applications for CECO Filters include sulfuric acid, chlor-alkali, ammonium nitrate, oil mist, asphalt and plasticizer/textile emissions control. In 2007 CECO Filters re-focused resources on international

sulfuric acid opportunities. This is the most widely produced chemical in the world, with almost all new plants located outside the U.S. New sulfuric acid projects are being planned and built in India, China, Africa, South America, Russia, Australia and other parts of Asia.

CECO Filters in 2007 continued its strong commitment to filter R&D and new product development. Its growth strategy aims to increase market share by delivering superior operating advantages to core markets, while developing innovative products to exploit opportunities in new markets.

DIRECTORS AND OFFICERS

DIRECTORS

Phillip DeZwirek

Chairman of the Board and
Chief Executive Officer

Richard J. Blum

President and Chief Operating Officer

Jason DeZwirek

Secretary and President of kaboose.com, Inc.

Donald A. Wright

Principal, The Phillips Group

Ronald E. Krieg, CPA

Partner, Jackson, Rolfes, Spurgeon & Co.

Thomas J. Flaherty

Consultant and former Chief Operating Officer,
Fairchild Corporation

Arthur Cape

Director of International Sales,
Shymac Innovative Marketing

EXECUTIVE OFFICERS



Phillip DeZwirek

Chief Executive Officer



Richard J. Blum

President and
Chief Operating Officer



David D. Blum

Senior Vice President and President,
The Kirk & Blum Manufacturing Company



Dennis W. Blazer

Vice President Finance & Administration,
Chief Financial Officer and
Assistant Secretary

Jason DeZwirek

Secretary

SHAREHOLDER INFORMATION

LEGAL COUNSEL

Sugar, Friedberg & Felsenthal
Chicago, Illinois

REGISTRAR & TRANSFER AGENT

American Stock Exchange & Trust Company
New York, New York

STOCK MARKET

CECO Environmental Corp.'s Common Stock
is publicly traded and quoted on the NASDAQ
Global Market system under the symbol CECE.

FORM 10-K

THE CECO Environmental Corp. Form 10-K for
2007 is available upon written request to Investor
Relations, CECO Environmental Corp., 3120 Forrer
Street, Cincinnati, Ohio 45209.

It can also be downloaded from the web site -
www.cecoenviro.com

INVESTOR RELATIONS

Contact Mr. Phillip DeZwirek, Chairman and CEO,
by calling toll free 800/606-CECO (2326),
visiting our web site at www.cecoenviro.com
or sending an e-mail to investors@cecoenviro.com.

ANNUAL MEETING

The CECO Environmental Corp. Annual Meeting
will be held on:

**May 21, 2008 at 10:30 a.m. at
The Crowne Plaza Hotel
5901 Pfeiffer Road
Cincinnati, Ohio 45242**

CORPORATE OFFICES

3120 Forrer Street
Cincinnati, Ohio 45209
Phone: 513/458-2600
Toll Free: 800/333-5475
Fax: 513/458-2647

OPERATING MANAGEMENT

THE KIRK & BLUM MANUFACTURING CO.

Leonard J. Bertoli III

Vice President, Cincinnati Division

William R. Nelson

Vice President, Indianapolis Division

George L. Nelson

Vice President, Defiance Division

William D. Wells

Vice President, Lexington Division

Daniel M. Smith

Vice President, Louisville Division

Thomas H. Kroeger

Vice President, Tennessee and Mississippi Division

Paul W. Gillespie

Vice President, Greensboro Division

K&B DUCT

Stephen A. McDaniel

Vice President

kbd/TECHNIC, INC.

Gerry A. Lanham

President and General Manager

CECO ABATEMENT SYSTEMS, INC.

Robert A. Cloud

President and General Manager

CECO ENERGY MANAGEMENT

Gerry A. Lanham

President and General Manager

CECO FILTERS, INC.

Mary R. Keenan

President and General Manager

CECO FILTERS INDIA PVT. LTD.

R. Gopalakrishnan

General Manager

CECOaire, INC.

Dale P. Arvin

President and General Manager

BUSCH INTERNATIONAL

William W. Frank

President and General Manager

EFFOX, INC.

Jack Neiser

President

FISHER-KLOSTERMAN, INC.

William Heumann

Chief Executive Officer

GMD ENVIRONMENTAL TECHNOLOGIES, INC.

Gerald Reier

President

H.M. WHITE, INC.

William H. White

President

SALES AND OPERATING LOCATIONS

The Kirk & Blum Manufacturing Co.

Cincinnati, Ohio

Defiance, Ohio

Lexington, Kentucky

Louisville, Kentucky

Indianapolis, Indiana

Greensboro, North Carolina

Columbia, Tennessee

Canton, Mississippi

K&B Duct

Greensboro, North Carolina

Salt Lake City, Utah

kbd/Technic, Inc.

Cincinnati, Ohio

Greenville, South Carolina

CECO Abatement Systems, Inc.

Chicago, Illinois

CECO Energy Management

Cincinnati, Ohio

CECO Filters, Inc.

Conshohocken, Pennsylvania

CECO Filters India PVT. Ltd.

Chennai, India

CECOaire, Inc.

Louisville, Kentucky

Busch International

Pittsburgh, Pennsylvania

Effox, Inc.

Cincinnati, Ohio

Fisher-Klosterman, Inc.

Louisville, Kentucky

Lebanon, Pennsylvania

Shanghai, China

GMD Environmental Technologies, Inc.

Ft. Worth, Texas

H.M. White, Inc.

Detroit, Michigan

Columbia, Tennessee

LOCATIONS

UNITED STATES

KIRK & BLUM

3120 Forrer Street
Cincinnati, Ohio 45209
Phone: 513/458-2600
Toll Free: 800/333-5475
Fax: 513/351-5475
www.kirkblum.com

1712 Spruce Street
Defiance, Ohio 43512
Phone: 419/782-9885
Fax: 419/782-9888

550 Horton Court
Lexington, Kentucky 40511
Phone: 859/254-0386
Toll Free: 800/234-5475
Fax: 859/253-2586

1450 South 15th Street
Louisville, Kentucky 40210
Phone: 502/635-2655
Fax: 502/637-4687

3501 West Kelly Street
Indianapolis, Indiana 46241
Phone: 317/244-3383
Toll Free: 800/678-5475
Fax: 317/243-1244

8735 West Market Street
Greensboro, North Carolina 27409
Phone: 336/668-3773
Fax: 336/668-9779
www.kbduct.com

1761 North Pointe Road
Columbia, Tennessee 38401
Phone: 931/381-0037
Fax: 931/381-2241

540 Commerce Avenue
Canton, Mississippi 39046
Phone: 601/859-8669
Fax: 601/859-8605

K&B DUCT

8735 West Market Street
Greensboro, North Carolina 27409
Phone: 336/668-3773
Toll Free: 866/KNB-DUCT
(866/562-3828)
Fax: 336/668-0043

Freeport Center
Building F-9
Clearfield, Utah 84016

kbd/TECHNIC, INC.

3131 Disney Street
Cincinnati, Ohio 45209
Phone: 513/351-6200
Fax: 513/351-4071
www.kbd-technic.com

25 Woods Lake Road
Suite 508
Greenville, South Carolina 29607
Phone: 864/241-8628
Fax: 864/241-8630

CECO ABATEMENT SYSTEMS, INC.

5201 Walnut Avenue
Suite # 1
Downers Grove, Illinois 60515
Phone: 630/493-0624
Fax: 630/493-1837
www.cecoenviro.com

CECO ENERGY MANAGEMENT

3131 Disney Street
Cincinnati, Ohio 45209
Phone: 513/458-2677
Fax: 513/458-2622

CECO FILTERS, INC.

1029 Conshohocken Road
Conshohocken, Pennsylvania 19428
Phone: 610/825-8585
Toll Free: 800/220-8021
Fax: 630/825-6133
www.cecoenviro.com

CECOaire, Inc.

1450 South 15th Street
Louisville, Kentucky 40210
Phone: 502/635-2655
Fax: 502/637-4687

BUSCH INTERNATIONAL

10431 Perry Highway
Suite 201
Wexford, Pennsylvania 15090
Phone: 724/940-CECO (2326)
Fax: 724/940-4140
www.busch-co.com

EFFOX, INC.

9759 Inter Ocean Drive
Cincinnati, Ohio 45246
Phone: 513/874-8915
Fax: 513/874-1343
www.effox.com

FISHER-KLOSTERMAN, INC.

822 South 15th Street
Louisville, Kentucky 40210
Phone: 502/572-4000
Fax: 502/572-4025
www.fkinc.com

BUELL DIVISION

200 North 7th Street
Lebanon, Pennsylvania 17046
Phone: 717/274-7104
Fax: 717/274-7342

FISHER-KLOSTERMAN-BUELL SHANGHAI CO., LTD.

No. 80, 1030 Lane
Heng' An Road
Pudong New District
Shanghai, 2000137, P.R.C.
Phone: 011-86-21-50673100
Fax: 011-86-21-50673074

GMD ENVIRONMENTAL TECHNOLOGIES, INC.

305 West Arlington Avenue
Fort Worth, Texas 76110
Phone: 817/926-9294
Toll Free: 800/725-2463
Fax: 817/923-0035
www.gmdenv.com

H.M. WHITE, INC.

12855 Burt Road
Detroit, Michigan 48223
Phone: 313/531-8477
Fax: 313/531-0522
www.hmwhite.com

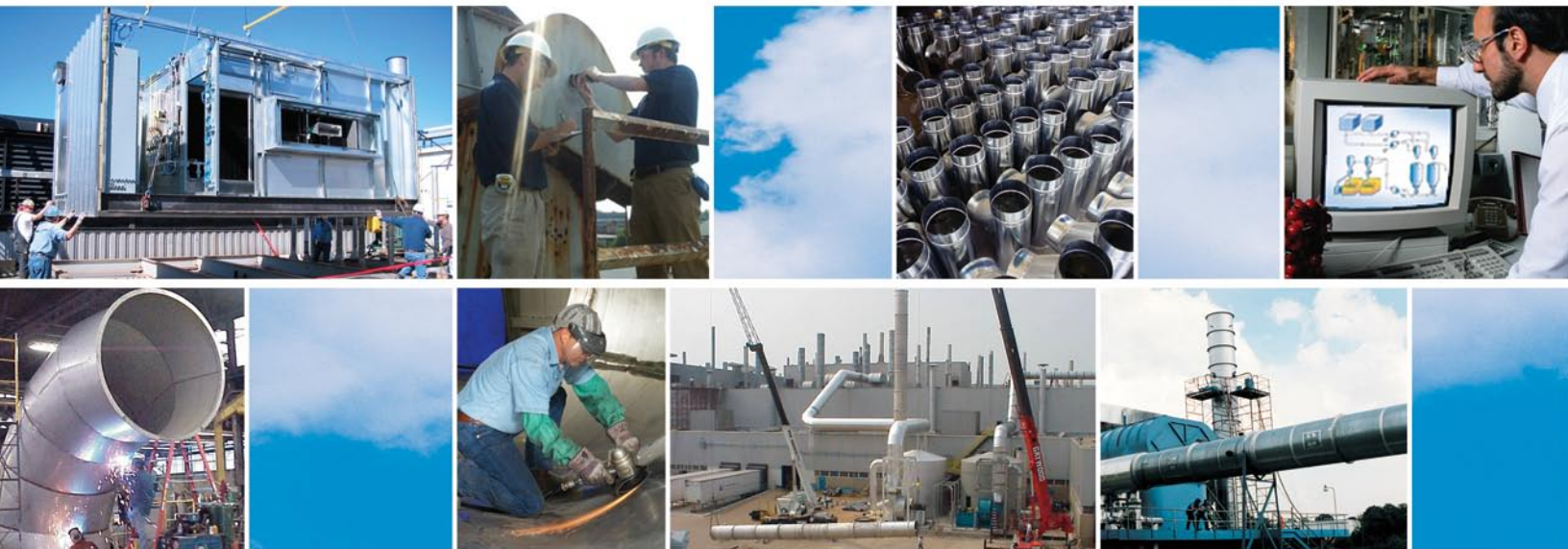
1761 North Pointe Road
Columbia, Tennessee 38401
Phone: 931/380-0002
Fax: 931/380-0029

INDIA

CECO FILTERS INDIA PVT. LTD.

439, SIDCO Industrial Estate
Ambattur (N.P.) Chennai
600 098, India
Phone: 011 91-44-5527-3111
Fax: 011 91-44-5208-2633





I N T E G R A T E D C L E A N A I R S O L U T I O N S



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3120 Forrer Street
Cincinnati, Ohio 45209
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Fax: 513.458.2647

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NASDAQ: CECE