

355 South Technology Drive

Central Islip, New York 11722

(Address of principal executive offices)

(631) 981-7081

(Registrant's Telephone Number, Including Area Code)

Indicate by check 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 (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 the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act).

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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 the latest practicable date: 6,507,514 shares of Common Stock, \$0.01 par value at November 3, 2018.

CVD EQUIPMENT CORPORATION AND SUBSIDIARY

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PART 1 – FINANCIAL INFORMATION

Item 1 – Financial Statements

CVD EQUIPMENT CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

(Unaudited)

	September 30, 2018	December 31, 2017
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 14,192,180	\$ 14,210,909
Accounts receivable, net	2,587,367	2,058,617
Contract assets	2,551,155	8,397,024
Inventories	2,751,504	2,965,623
Prepaid expenses and other current assets	537,683	167,425
Total Current Assets	22,619,889	27,799,598
Property, plant and equipment, net	30,272,974	28,839,457
Deferred income taxes	1,925,108	1,609,186
Deposits	71,875	67,847
Intangible assets, net	520,220	662,162
Total Assets	\$ 55,410,066	\$ 58,978,250
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 1,261,385	\$ 1,174,968
Accrued expenses	1,777,662	2,738,373
Current maturities of long-term debt	657,811	647,324
Current portion acquisition related contingent payments	100,000	100,000
Contract liabilities	229,216	466,313
Deferred revenue	890,447	291,953
Total Current Liabilities	4,916,521	5,418,931
Long-term acquisition related contingent payments	200,000	200,000
Long-term debt, net of current portion	12,211,266	12,705,683
Total Long-Term liabilities	12,411,266	12,905,683

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Total Liabilities	17,327,787	18,324,614
Commitments and Contingencies	----	----
Stockholders' Equity		
Common stock - \$0.01 par value – 20,000,000 shares authorized; issued and outstanding, 6,496,332 at September 30, 2018 and 6,458,714 at December 31, 2017	64,963	64,587
Additional paid-in-capital	25,912,507	25,209,316
Retained earnings	12,104,809	15,379,733
Total Stockholders' Equity	38,082,279	40,653,636
Total Liabilities and Stockholders' Equity	\$55,410,066	\$58,978,250

The accompanying notes are an integral part of these consolidated financial statements

CVD EQUIPMENT CORPORATION AND SUBSIDIARIES

Consolidated Statements of Operations

(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2018	2017	September 30, 2018	2017
Revenue	\$4,027,768	\$10,831,729	\$19,616,879	\$31,312,055
Cost of revenue	4,083,752	6,229,062	14,795,731	18,127,799
Gross (loss)/profit	(55,984)	4,602,667	4,821,148	13,184,256
Operating expenses				
Research and development	240,613	158,310	465,536	339,610
Selling and shipping	331,280	345,406	1,244,004	983,731
General and administrative	2,225,593	2,208,628	6,434,123	6,423,016
Total operating expenses	2,797,486	2,712,344	8,143,663	7,746,357
Operating (loss)/income	(2,853,470)	1,890,323	(3,322,515)	5,437,899
Other income (expense)				
Interest income	40,720	28,485	86,994	54,538
Interest expense	(114,692)	(17,189)	(355,325)	(52,433)
Other (expense)/income	---	2,575	---	3,014
Total other (expense), net	(73,972	13,871	(268,331)	5,119