
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

**Quarterly Report Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

For the quarterly period ended March 31, 2010

Commission File Number: 0-21832

TurboSonic Technologies, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State of incorporation)

13-1949528
*(I.R.S. Employer
Identification Number)*

**550 Parkside Drive, Suite A-14
Waterloo, Ontario, Canada N2L 5V4**
(Address of principal executive offices)

(519) 885-5513
(Registrant's telephone number)

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 (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 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 the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of May 14, 2010, there were 15,138,054 shares of common stock outstanding.

TURBOSONIC TECHNOLOGIES, INC. AND SUBSIDIARIES

**FORM 10-Q
FOR THE PERIOD ENDED MARCH 31, 2010**

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All dollar amounts set forth in this report are in United States dollars, except where otherwise indicated.

Forward-Looking Statements

Forward-looking statements in this report, including without limitation, statements relating to our plans, strategies, objectives, expectations, intentions and adequacy of resources, are made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned that such forward-looking statements involve risks and uncertainties, such as our dependence on environmental regulation, the concentration of our revenues among a small group of customers, and economic downturns and other factors that may negatively affect our customers' demands for our products. These risks and uncertainties could cause actual results to differ materially from those expressed therein. In evaluating these statements, you should specifically consider the risks discussed in this report, our Annual Report on Form 10-K for the fiscal year ended June 30, 2009 and other reports or documents that we have filed from time to time with the SEC.

PART I: FINANCIAL INFORMATION**ITEM 1****CONSOLIDATED CONDENSED STATEMENTS OF (LOSS) INCOME
AND COMPREHENSIVE (LOSS) INCOME**

	For the Three Months Ended March 31, 2010 \$	For the Three Months Ended March 31, 2009 \$	For the Nine Months Ended March 31, 2010 \$	For the Nine Months Ended March 31, 2009 \$
CONTRACT REVENUE AND SALES				
OEM systems revenue	1,365,205	6,100,848	10,667,381	14,224,033
Aftermarket revenue	717,304	929,382	2,432,558	3,326,404
	2,082,509	7,030,230	13,099,939	17,550,437
CONTRACT COSTS AND COST OF SALES				
OEM systems contract costs and costs of sales	1,095,657	4,234,348	9,004,543	10,681,077
Aftermarket contract costs and costs of sales	434,641	565,169	1,483,897	1,914,277
	1,530,298	4,799,517	10,488,440	12,595,354
Gross profit	552,211	2,230,713	2,611,499	4,955,083
EXPENSES				
Selling, general and administrative	1,361,798	1,231,472	3,708,620	3,360,161
Research and development	55,840	12,235	170,059	55,252
Depreciation and amortization	34,350	49,314	130,802	122,381
	1,451,988	1,293,021	4,009,481	3,537,794
(Loss) income from operations	(899,777)	937,692	(1,397,982)	1,417,289
Interest (expense) income	(2,141)	7,589	(183)	17,471
(Loss) income before provision for income taxes	(901,918)	945,281	(1,398,165)	1,434,760
(Recovery of) provision for income taxes [Note 4]	(397,177)	341,072	(612,695)	498,439
Net (loss) income	(504,741)	604,209	(785,470)	936,321
Other comprehensive income (loss):				
Foreign currency translation adjustment	113,268	(59,844)	384,324	(296,153)
Comprehensive (loss) income	(391,473)	544,365	(401,146)	640,168
Weighted average number of shares				
	15,138,054	15,130,054	15,137,005	15,130,054
Diluted weighted average number of shares [Note 6]				
	15,138,054	15,160,658	15,137,005	15,152,422
Basic (loss) earnings per share [Note 6]				
	(0.03)	0.04	(0.05)	0.06
Diluted (loss) earnings per share [Note 6]				
	(0.03)	0.04	(0.05)	0.06

See accompanying notes

CONSOLIDATED CONDENSED BALANCE SHEETS

	March 31, 2010	June 30, 2009
	\$	\$
ASSETS		
Current assets:		
Cash and cash equivalents	2,319,313	5,621,166
Accounts receivable, net of allowance for doubtful accounts of \$111,278 and \$218,025	1,630,590	5,038,451
Retentions receivable	936,997	516,141
Deferred contract costs and unbilled revenue [Note 3]	1,891,225	1,027,858
Inventories	140,292	119,307
Income taxes receivable	324,740	--
Other current assets	117,636	87,357
Total current assets	7,360,793	12,410,280
Property and equipment, less accumulated depreciation and amortization	307,298	350,208
Goodwill	398,897	398,897
Deferred income taxes	640,147	307,424
Other assets	13,928	13,526
	1,360,270	1,070,055
Total assets	8,721,063	13,480,335
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	841,691	3,332,338
Accrued compensation	452,872	901,599
Accrued charges [Note 2]	765,777	578,686
Unearned revenue and contract advances [Note 3]	944,638	2,327,266
Income taxes payable	--	267,386
Long-term debt, current portion	84,515	80,754
Total current liabilities	3,089,493	7,488,029
Long-term debt	89,024	131,500
	3,178,517	7,619,529
Stockholders' equity		
Authorized share capital		
30,000,000	common shares, par value \$0.10 per share	
1,500	preferred shares, no par value	
Issued share capital [Note 5]		
14,731,081	common shares [14,723,081 at June 30, 2009]	2,550,246
406,973	common shares reserved for the conversion of the subsidiary's Class B exchangeable shares	2,549,446
Additional paid – in capital [Note 5]	3,669,748	3,587,660
	6,219,994	6,137,106
Accumulated other comprehensive income	862,060	477,736
Accumulated deficit	(1,539,508)	(754,036)
Total stockholders' equity	5,542,546	5,860,806
Total liabilities and stockholders' equity	8,721,063	13,480,335
<i>See accompanying notes</i>		

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

	For the Nine Months Ended March 31, 2010 \$	For the Nine Months Ended March 31, 2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income	(785,470)	936,321
Add charges to operations not requiring a current cash payment:		
Stock-based compensation	76,884	60,038
Depreciation and amortization	130,802	122,381
Deferred income tax	(330,730)	362,337
Changes in non-cash assets and liabilities related to operations:		
Decrease (increase) in accounts receivable:	3,614,298	(2,027,820)
(Increase) in retentions receivable	(406,059)	(268,305)
(Increase) in inventories	(3,745)	(16,007)
(Increase) decrease in deferred contract costs and unbilled revenue	(777,434)	110,652
(Increase) in other current assets	(24,187)	(30,802)
(Decrease) increase in accounts payable, accrued charges and accrued compensation	(2,955,525)	1,570,281
(Decrease) increase in unearned revenue and contract advances	(1,464,409)	279,534
(Decrease) increase in income taxes payable	(620,989)	201,068
Cash (applied to) from operating activities	(3,546,564)	1,299,678
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(44,903)	(234,337)
Disposition proceeds – property and equipment	--	752
Cash (applied to) investing activities	(44,903)	(233,585)
CASH FLOWS FROM FINANCING ACTIVITY		
Repayment of obligations under long-term debt and capital lease obligations	(58,786)	(4,481)
Cash (applied to) financing activity	(58,786)	(4,481)
Effect of exchange rate changes on cash and cash equivalents	348,400	(324,261)
Cash (applied) received during the period	(3,301,853)	737,351
Cash and cash equivalents – beginning of period	5,621,166	3,190,181
Cash and cash equivalents – end of period	2,319,313	3,927,532
Supplemental cash flow information:		
Interest paid	(6,338)	(315)
Interest received	5,557	17,736
Income taxes paid	(330,293)	(13,521)

See accompanying notes

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

NOTE 1: GENERAL

TurboSonic Technologies, Inc., directly and through subsidiaries (collectively “TurboSonic”), designs and markets integrated air pollution control, evaporative gas cooling/conditioning systems and liquid atomization technology to ameliorate or abate industrial environmental problems.

The unaudited consolidated condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the rules and regulations promulgated by the Securities and Exchange Commission. Accordingly, these financial statements do not include all of the information and footnotes required in annual financial statements. The unaudited consolidated condensed financial statements reflect all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented. Operating results for the three-month and nine-month periods ended March 31, 2010 are not necessarily indicative of the results that may be expected for the full year ending June 30, 2010. These consolidated condensed financial statements should be read in conjunction with the consolidated financial statements and footnotes thereto included in our Annual Report on Form 10-K for the year ended June 30, 2009.

In accordance with Financial Accounting Standards Board (“FASB”) Codification topic, *Subsequent Events*, for the nine months ended March 31, 2010, we evaluated, for potential recognition and disclosure, events that occurred prior to the filing of our Quarterly Report on Form 10-Q for the nine months ended March 31, 2010. No additional disclosure is required as a result.

FASB’s Statement No. 168 “The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles”, is a replacement of FASB Statement No. 162 (the Codification). The Codification has become the single source of authoritative non-government U.S. generally accepted accounting principles (GAAP), superseding various existing authoritative accounting pronouncements. The Codification eliminates the GAAP hierarchy contained in Statement No. 162 and establishes one level of authoritative GAAP. All other U.S. GAAP literature is considered non-authoritative. There was no change to our consolidated financial statements due to the implementation of the Codification other than changes in reference to various authoritative accounting pronouncements in our Notes to consolidated financial statements.

Certain immaterial reclassifications have been made to prior year comparative balances to conform to the current year presentation. Specifically, we reclassified our field service-related costs from selling, general and administrative to contract costs and cost of sales.

NOTE 2: WARRANTY

In accordance with the *Guarantee* topic of the FASB Codification, we are required to make the following disclosure regarding performance guarantees and product warranties.

As part of the normal sale of OEM systems, we have provided our customers with performance guarantees and product warranties. Most of our OEM system sales have an element of performance guarantee to ensure our custom-engineered equipment provided to our clients meets the level of performance anticipated. Performance issues raised by clients on projects are made and dealt with prior to final acceptance. Expenses incurred to that time are treated as project costs. We do not expect that any expenses incurred in resolving any of our current performance guarantees will have a material adverse effect on our consolidated results of operations, financial position or cash flows.

The warranties generally extend for twelve months from the date of start-up or eighteen months after shipment to the customer. Commensurate warranties are provided by engineered product suppliers, such as those of pumps, fans and valves, whose products are incorporated into our systems. Warranty accruals are established on the basis of anticipated future expenditures based on historical warranty claims experience. As specific warranty obligations are identified, they are charged to the accrual account. The following summarizes the accrual of product warranties that is recorded as part of other accrued charges in the accompanying consolidated condensed balance sheets:

	For the Nine Months Ended March 31, 2010	For the Nine Months Ended March 31, 2009
	\$	\$
Opening balance	86,242	98,362
Payments made during the period	(12,060)	--
Warranty provision made during the period	12,060	--
Foreign exchange adjustments	12,498	(18,841)
Closing balance	98,740	79,521

NOTE 3: COSTS AND ESTIMATED EARNINGS ON UNCOMPLETED CONTRACTS

	March 31, 2010	June 30, 2009
	\$	\$
Costs incurred on uncompleted contracts	28,875,482	23,174,794
Estimated earnings	7,798,072	6,691,283
	36,673,554	29,866,077
Less: Billings to date	(35,726,967)	(31,165,485)
	946,587	(1,299,408)
Included in accompanying consolidated condensed balance sheets under the following captions:		
Deferred contract costs and unbilled revenues	1,891,225	1,027,858
Unearned revenue and contract advances	(944,638)	(2,327,266)
	946,587	(1,299,408)

NOTE 4: INCOME TAXES

We believe our income tax provision at March 31, 2010 reflects a full accounting of our tax filings. We are not currently under Internal Revenue Service, state, local or foreign jurisdiction tax examinations. We recognize interest and penalties, as estimated or incurred, as selling, general and administrative expense. Our company is subject to ongoing review by tax authorities in the jurisdictions in which it operates. We regularly assess the status of any examinations and the potential for adverse outcomes to determine the adequacy of the provision for income taxes. Specifically, the Canada Revenue Agency ("CRA") recently conducted their review on the Scientific Research and Experimental Investment Tax Credit ("ITC") elements of our company's fiscal 2008 Canadian corporate tax filings and accepted them as filed. As a result, we reversed the 25% valuation allowance previously recorded against our ITC claim when filed.

Details of the provision for income taxes are as follows:

	For the Three Months Ended March 31, 2010	For the Three Months Ended March 31, 2009	For the Nine Months Ended March 31, 2010	For the Nine Months Ended March 31, 2009
	\$	\$	\$	\$
Current:				
- U.S.	--	11,891	--	1,227
- Canada	(18,672)	192,232	(18,672)	192,232
- Italian	(148,246)	10,651	(130,081)	10,651
- ITC - Canada	(34,058)	--	(133,212)	--
Total current taxes	(200,976)	214,774	(281,965)	204,110
Deferred:				
- U.S.	(191,974)	95,531	(334,774)	(29,344)
- Canada	(4,227)	30,767	4,044	323,673
Total deferred taxes	(196,201)	126,298	(330,730)	294,329
Income tax provision	(397,177)	341,072	(612,695)	498,439

NOTE 5: SHARE CAPITAL

No options to purchase shares of common stock were exercised in the second or third quarters of fiscal 2010, although options to purchase 8,000 shares of our common stock were exercised in the first quarter of fiscal 2010.

Options to purchase 20,000 shares of common stock were granted pursuant to the terms of the 2008 Stock Plan to each of the five independent directors of our company (100,000 in total) who were elected to serve at the December 10, 2009 annual meeting of stockholders. Such options have an exercise price equal to the market value of our common stock at the close of business on December 10, 2009 (\$0.79 per share [Black-Scholes fair value \$0.5416]), vest immediately and are exercisable for eight years from the date of grant.

Options to purchase 25,000 shares of common stock were granted pursuant to the terms of the 2008 Stock Plan to each of our Chief Executive Officer and President and 15,000 to our Chief Financial Officer (65,000 in total) at the December 10, 2009 board meeting. Such options have an exercise price equal to the market value of our common stock at the close of business on December 10, 2009 (\$0.79 per share [Black-Scholes fair value \$0.6614]), vest at five years from the date of grant to our CEO and President and three years from the date of grant to our CFO and are exercisable for eight years from the date of grant.

Stock-based compensation expenses of \$76,884 for the nine months ended, and \$2,921 for the three months ended March 31, 2010 are included as selling, general and administrative expenses in our financial statements.

Options to purchase 20,000 shares of common stock were granted under the 2008 Stock Plan to each of the seven directors of our company (140,000 in total) who were elected to serve at the December 11, 2008 annual meeting. The options awarded to our directors have an exercise price of \$0.30 per share [Black-Scholes fair value \$0.223], which was the market value of our common stock at the close of business on December 11, 2008, vested immediately and are exercisable for eight years from the date of grant. Stock-based compensation expense of \$60,038 for the nine months ended, and \$9,624 for the three months ended March 31, 2009 are included as selling, general and administrative expenses in our financial statements.

A summary of the significant assumptions used in calculating the fair value of our fiscal 2010 and 2009 stock option grants is as follows:

	Fiscal 2009 and 2010 Grants		
	All Directors	Independent Directors	Executive Officers
	December 11, 2008	December 10, 2009	December 10, 2009
Expected dividends	0.00%	0.00%	0.00%
Expected volatility	101.00%	98.63%	110.84%
Risk-free interest rate	1.51%	1.46%	2.33%
Expected term (years)	4.80	4.00	6.00
Forfeiture rate	0.00%	0.00%	0.00%
Stock price on date of grant	\$0.30	\$0.79	\$0.79
Number of stock options granted	140,000	100,000	65,000
Fair value per option on date of grant	\$0.22	\$0.54	\$0.66

The following table summarizes activity of stock options granted under our 2000, 2003 and 2008 Stock Plans for the nine months ended March 31, 2010 and 2009:

	Shares	Weighted Average Exercise Price	Weighted Average Grant Date Fair Value	Weighted Average Remaining Contractual Life (In Years)	Aggregate Intrinsic Value
Stock options outstanding at June 30, 2008	750,499	\$0.9184	\$0.5564	3.9	\$3,125
Stock options cancelled or expired	(192,500)	\$0.8566	\$0.5005		
Stock options granted	140,000	\$0.3000	\$0.2200		
Stock options exercised	--	\$0.0000	\$0.0000		
Stock options outstanding at March 31, 2009	697,999	\$0.8114	\$0.5043	4.0	\$15,400
Stock options exercisable at March 31, 2009	535,499	\$0.7239	\$0.4267	4.4	\$15,400
Stock options outstanding at June 30, 2009	697,999	\$0.8114	\$0.5043	3.7	\$301,345
Stock options cancelled or expired	(5,000)	\$0.9250	\$0.5200		
Stock options granted	165,000	\$0.7900	\$0.5888		
Stock options exercised	(8,000)	\$0.7500	\$0.4200		
Stock options outstanding at March 31, 2010	849,999	\$0.8072	\$0.5207	3.9	\$23,800
Stock options exercisable at March 31, 2010	784,999	\$0.8086	\$0.5092	3.6	\$23,800

The aggregate intrinsic value in the table above represents the total pre-tax intrinsic value or the aggregate difference between the closing price of our common stock on March 31, 2010 of \$0.47 and the excess over the exercise price for in-the-money options that would have been received by optionees if all options had been exercised on March 31, 2010.

NOTE 6: EARNINGS PER SHARE

Basic earnings per share is calculated based on the weighted average shares of common stock outstanding during the period. Diluted earnings per share is calculated based on the weighted average shares of common stock outstanding, plus the dilutive effect of stock options and warrants outstanding, calculated using the treasury stock method.

For the three and nine months ended March 31, 2010, we incurred net losses of \$504,741 and \$785,470; respectively; therefore, our 15,138,054 and 15,137,005 outstanding shares were treated as anti-dilutive shares. The dilutive loss per common share calculated for the three and nine months ended March 31, 2010 excludes the effect of 76,607 and 114,475 shares of common stock issuable upon exercise of outstanding options. These amounts were excluded since their inclusion would be anti-dilutive.

NOTE 7: SEGMENT INFORMATION

	For the Three Months Ended March 31, 2010	For the Three Months Ended March 31, 2009	For the Nine Months Ended March 31, 2010	For the Nine Months Ended March 31, 2009
	\$	\$	\$	\$
(Loss) income before provision for income taxes:				
- OEM systems	(944,549)	976,969	(1,729,885)	1,147,051
- Aftermarket	42,631	(31,687)	331,720	287,709
Total	(901,918)	945,281	(1,398,165)	1,434,760

NOTE 8: CONTINGENT LIABILITIES

On October 6, 2005 a statement of claim was filed against our company in the Ontario Superior Court of Justice (Canada) by Abuma Manufacturing Limited, one of our vendors, in which they claimed additional charges for work performed and refute our claim for back charges on a specific project. The claim is for CAD \$95,647 in respect of unpaid accounts, CAD \$50,000 for aggravated, punitive and/or exemplary damages, interest on the past due accounts and costs of the action. It is our position that the claims are without merit and we have filed a statement of defense and counter-claim. Each company has filed an affidavit of documents and discovery of TurboSonic has been conducted.

On November 10, 2009 a statement of claim was served against our company and one of our customers in the United States District Court, Western District of Pennsylvania by a competitor, in which it was claimed that a contract awarded to our company in June 2009 had infringed on one of their patents. The claim requests permanent injunction from further direct infringement, damages including prejudgment and post-judgement interest, an award of attorney's fees and other costs and further relief as the Court may deem just and proper. It is our position that the claims are without merit and we have filed a statement of defense and counter-claim. Both parties are in the process of preparing discovery documents. A court-ordered mediation meeting is scheduled for late May.

NOTE 9: CREDIT FACILITY

We have a credit facility with a major Canadian bank for a total of CAD \$6.55 million, including a demand loan for computer equipment of CAD \$250,000. This facility was renewed early in calendar 2010 under the same terms and conditions. This facility includes a demand operating line of CAD \$1.5 million secured by our receivables, a demand credit for standby letters of credit for USD \$4.25 million secured by a general security agreement and guarantees provided by Export Development Canada on a fee-for-service basis, plus a demand credit for foreign exchange contracts for CAD \$750,000. At March 31, 2010 we had standby letters of credit for approximately \$1.9 million (\$2.4 million at June 30, 2009) in place with various customers in order to receive cash proceeds ahead of customer-specified milestones, as well as an outstanding bank loan balance of \$170,905 (\$203,018 at June 30, 2009). There were no drawdowns against the operating or foreign exchange credit lines at March 31, 2010 (nil at June 30, 2009).

NOTE 10: FAIR VALUE MEASUREMENT

We adopted the provisions of FASB Codification topic, *Fair Value Measurements and Disclosures*, on July 1, 2008. This Codification topic establishes a framework for measuring fair value and expands financial statement disclosures about fair value measurements. This Codification topic does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements. This Codification topic requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Items Measured at Fair Value on a Recurring Basis

The following table shows the fair value of our financial assets and financial liabilities that are required to be measured at fair value as of March 31, 2010.

(In dollars)	Balance at March 31, 2010	Level 1	Level 2	Level 3
Assets:				
Cash and current cash equivalents	\$ 2,319,313	\$ 2,319,313	\$ —	\$ —
Non-current cash equivalents	\$ 3,173	\$ 3,173	\$ —	\$ —

The following section describes the valuation methodologies used to measure fair value, key inputs, and significant assumptions:

Cash equivalents – Cash equivalents are investments in money market accounts and utilize level 1 inputs to determine fair value. Non-current cash equivalents are included in Other Assets on the face of the balance sheet.

Long-Term Debt – Our long-term debt obligations bear interest at annual rate interest rates ranging from a fixed rate of 1.9% to Canadian bank prime plus 1.25%. Total long-term debt outstanding as at March 31, 2010 amounted to \$173,539 (bank loan \$170,905). The fair value of our long-term debt obligations are not materially different than their respective carrying values due to their relative short-term maturities and the borrowing rates available as of March 31, 2010 for debt obligations with similar terms and conditions.

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Our long-term prospects are built on product and market development, marketing agreements and geographic coverage to address regulatory progress, growth in energy generation and rising market projections. We believe that the trend toward a cleaner environment will continue through a confluence of regulations and public pressure, increasing the demand for our products and supporting our plans for growth.

Q3 Operating Results

We continue to experience the effects of the economic downturn. Third quarter revenue decreased by 70% from \$7,030,230 in the three months ended March 31, 2009 to \$2,082,509 for the three months ending March 31, 2010. Over that same period, gross profit for the third quarter decreased \$1,678,502 from \$2,230,713 to \$552,211, while net income decreased \$1,108,950 from \$604,209 to a loss of \$504,741. Our backlog of orders at March 31, 2010 was approximately \$1,600,000 compared to \$8,100,000 at March 31, 2009.

In March 2010, we announced temporary salary reductions, ranging from 20% to 50%, and temporary staff reductions for a limited number of employees as part of our cost containment program in the face of market uncertainties heightened by deferred capital expenditures by several of our customers. We have recently observed what we believe to be initial signs of economic recovery and we anticipate a growth in new orders if these signs prove to be accurate and such recovery is sustainable. We are in constant contact with our customers in our efforts to increase our order backlog.

Our New Technology

We hold the exclusive worldwide marketing rights to Catalytic Gas Treatment ("CGT"), a technology that reduces hazardous air pollutants such as formaldehyde and will result in a reduction in greenhouse gas emissions compared to traditional natural gas-fired thermal oxidation. This technology offers a return on investment based on the displacement of traditional non-renewable fuel based technologies, and does not depend on new regulations to drive demand. The first US installation is currently in startup and preliminary results are exceeding performance expectations.

Environmental Regulation

Government initiatives taken to enforce new regulations to mitigate effects of air pollution are the primary driver for the air pollution control technology market. Sources of air pollution in our markets include a broad range of facilities in Cement, Chemical and Mineral Processing, Ethanol and Biofuels production, Metallurgical, Petrochemicals, Power Generation, Pulp and Paper, Waste Incineration, and Wood Products industries, among others. They emit regulated pollutants including sulfur dioxide, nitrogen oxides, particulate matter, including carbon and heavy metals, and volatile organic compounds ("VOCs").

A significant part of our business relies on environmental regulations. In the USA, a new regulation targeting sulfur dioxide (SO₂) emissions is scheduled to be in effect June 2, 2010 and regulations on boiler emissions are expected this calendar year. In both of these markets we have a significant installed base as reference for future opportunities.

Our Business

TurboSonic Technologies, Inc. designs and supplies air pollution control technologies to industrial customers worldwide. We believe our products, which are designed to meet the strictest emission regulations for gaseous and particulate emissions, afford economic and technical advantages over competitive air pollution equipment. We currently have two reportable business segments – OEM systems and Aftermarket.

Sales opportunities are sourced directly with the end user by our independent sales representatives or by our internal sales team and through the recommendation of engineering firms. We have sales, project management and field service personnel in remote offices to support local markets.

Our leading edge technology and strong project management performance contribute significantly to our strategy of building long-term loyalty and growth through customer satisfaction. This allows us to serve the demanding requirements of multinational firms that we believe can provide a series of opportunities over many years.

We provide all process engineering and the detailed design and specifications for all applicable structural, electrical, mechanical and chemical components of such system. We subcontract the manufacturing of designs. When customer contracts include installation we subcontract the service. Our project managers and quality assurance personnel supervise, and manage all aspects of our contracts to ensure we meet the financial and performance objectives for our contracts while maintaining compliance with our ISO Quality Management System to ensure customer satisfaction.

We conduct business in Canadian, US and European currency to accommodate customers and mitigate our exchange risk through matching the sales currency with the supplier currency where practical. We participated in foreign exchange hedging activities during the fiscal year ended June 30, 2009. There were no outstanding forward contract commitments at March 31, 2010. We do not consider the company significantly exposed to exchange fluctuations.

Three Months ended March 31, 2010 Compared with Three Months ended March 31, 2009

3 MONTH COMPARATIVE INCOME STATEMENTS AT MARCH 31, 2010 AND 2009

	Fiscal 2010	% to	Fiscal 2009	% to	Increase (Decrease)	
	\$	Total Revenue	\$	Total Revenue	\$	%
Contract revenue & sales						
OEM Systems	1,365,205	66%	6,100,848	87%	(4,735,643)	(78%)
Aftermarket parts & retrofits	717,304	34%	929,382	13%	(212,078)	(23%)
	<u>2,082,509</u>	<u>100%</u>	<u>7,030,230</u>	<u>100%</u>	<u>(4,947,721)</u>	<u>(70%)</u>
Contract costs & cost of sales						
OEM Systems	1,095,657	53%	4,234,348	60%	(3,138,691)	(74%)
Aftermarket parts & retrofits	434,641	20%	565,169	8%	(130,528)	(23%)
	<u>1,530,298</u>	<u>73%</u>	<u>4,799,517</u>	<u>68%</u>	<u>(3,269,219)</u>	<u>(67%)</u>
Gross profit						
OEM Systems	269,548	13%	1,866,500	27%	(1,596,952)	(86%)
Aftermarket parts & retrofits	282,663	14%	364,213	5%	(81,550)	(22%)
	<u>552,211</u>	<u>27%</u>	<u>2,230,713</u>	<u>32%</u>	<u>(1,678,502)</u>	<u>(75%)</u>
Gross profit %						
OEM Systems	20%		31%		(11%)	
Aftermarket parts & retrofits	39%		39%		(0%)	
Expenses						
Selling, general & administrative	1,361,798	65%	1,231,472	18%	130,326	11%
Research & development costs	55,840	3%	12,235	0%	43,605	356%
Depreciation	34,350	2%	49,314	1%	(14,964)	(30%)
	<u>1,451,988</u>	<u>70%</u>	<u>1,293,021</u>	<u>19%</u>	<u>158,967</u>	<u>12%</u>
(Loss) income from operations	(899,777)	(43%)	937,692	13%	(1,837,469)	(196%)
Other (income) expense						
Interest, net	(2,141)	0%	7,589	0%	(9,730)	(128%)
(Loss) income before taxes(EBT)	(901,918)	(43%)	945,281	13%	(1,847,199)	(195%)
(Recovery of) provision for income taxes	(397,177)	(19%)	341,072	4%	(738,249)	(216%)
Net (loss) income	(504,741)	(24%)	604,209	9%	(1,108,950)	(184%)
Foreign currency translation adjustment	113,268	5%	(59,844)	(1%)	173,112	(289%)
Comprehensive (loss) income	(391,473)	(19%)	544,365	8%	(935,838)	(172%)

OEM systems revenue decreased 78% for the three month period ended March 31, 2010 over the comparable period in fiscal 2009, due primarily to reduced sales levels of Wet Electrostatic Precipitators (WESPs) systems and retrofits to the wood products industry (80% of decrease), and evaporative gas cooling systems to the cement industry (19% of decrease).

The cost of sales for OEM systems decreased 74% for the three month period ended March 31, 2010 over the same period in the prior year, which reflects the decreased revenue volume when compared to the prior year.

As a result, gross profit on OEM systems in the third quarter of fiscal 2010 was 20% and in the same period in fiscal 2009 was 31%. Relative to total revenue for our company, OEM Systems contributed gross profit of \$269,548 (13% of total revenue) in the third quarter of fiscal 2010 and \$1,866,500 (27% of total revenue) for the same period in fiscal 2009. The lower gross profit percentages are primarily the result of underabsorbed engineering costs due to the reduced volume of revenue.

Aftermarket revenues decreased 23% for the three month period ended March 31, 2010 over the same period in the prior fiscal year due mostly to decreased evaporative cooling spare parts (39% of decrease), wet scrubber (33% of decrease) and semi-dry scrubber (95% of decrease) component shipments, partially offset by increased wet scrubber spare parts shipments (45% of decrease) and increased service orders (22% of decrease). We believe the overall decreased volume of spare parts and components is due to customers having curtailed production.

The cost of sales for Aftermarket products decreased 23% for the three month period ended March 31, 2010 over the same period in fiscal 2009. Gross profit on aftermarket products remained at 39% for both comparative periods. Relative to total revenue, Aftermarket gross profit increased from 5% of total revenue for the three month period ended March 31, 2009 to 14% of total revenue in the same period in fiscal 2010. This percentage change was the result of the decrease in OEM volume and gross profit in the current quarter.

The gross profit contribution from OEM systems in fiscal 2010 decreased 86% over fiscal 2009, and Aftermarket gross profit contributions in fiscal 2010 decreased 22% over fiscal 2009. This was due to the change in mix of revenues between the reporting segments and the decreased OEM revenues as a percentage of total revenue.

Selling, general and administrative expenses increased \$130,326 (11%) for the three month period ended March 31, 2010 over the same period in the prior year. This increase is due to the legal expenses incurred in responding to a patent claim (145% of increase), foreign exchange impact on Canadian expenses, 2010 versus 2009 (50% of increase) and increased sales personnel salaries and benefits (35% of increase), partially offset by a 2009 bad debt expense not repeated in fiscal 2010 (75% of increase) and cost containment measures instituted March 1, 2010 (60% of increase). As a percentage of total revenue, selling, general and administrative expenses were 65% of total revenue for the three month period ended March 31, 2010 compared to 18% of total revenue in the comparable period in fiscal 2009. Research and development costs increased \$43,605 (356%) for the three month period ended March 31, 2010 compared the same period one year ago, due to additional project activity. Depreciation of \$34,350 was recorded in the current quarter compared to \$49,314 for the same period one year earlier.

The decrease of \$9,730 in interest earned is due to the lower cash balances and reduced interest rates experienced during the third quarter of fiscal 2010 relative to those during the same period of fiscal 2009.

Income before taxes decreased by \$1,847,199 for the three-month period ended March 31, 2010 over the comparable period in the prior year. This decrease reflects lower sales volume and lower gross profit achieved in the third quarter of fiscal 2010 together with increased expenses compared to those recorded in the third quarter of fiscal 2009.

Recovery of income taxes for the third quarter of fiscal 2010 was \$397,177 compared to a provision for income taxes of \$341,072 for the comparable period in fiscal 2009 as the result of the loss from operations in 2010 and the income from operations in 2009 for comparable periods.

The foreign currency translation adjustment reflects the exchange values for Canadian dollar and Euro accounts on the balance sheet converted to US dollars. The statement of comprehensive income reflects an increase in the carrying value of these accounts of \$113,268 during the third quarter of fiscal 2010 while the shareholders' equity carries the cumulative value of currency exchange for balance sheet accounts.

Nine Months ended March 31, 2010 Compared with Nine Months ended March 31, 2009

9 MONTH COMPARATIVE INCOME STATEMENTS AT MARCH 31, 2010 AND 2009

	Fiscal 2010	% to	Fiscal 2009	% to	Increase (Decrease)	
	\$	Total Revenue	\$	Total Revenue	\$	%
Contract revenue & sales						
OEM Systems	10,667,381	81%	14,224,033	81%	(3,556,652)	(25%)
Aftermarket parts & retrofits	2,432,558	19%	3,326,404	19%	(893,846)	(27%)
	<u>13,099,939</u>	<u>100%</u>	<u>17,550,437</u>	<u>100%</u>	<u>(4,450,498)</u>	<u>(25%)</u>
Contract costs & cost of sales						
OEM Systems	9,004,543	69%	10,681,077	61%	(1,676,534)	(16%)
Aftermarket parts & retrofits	1,483,897	11%	1,914,277	11%	(430,380)	(22%)
	<u>10,488,440</u>	<u>80%</u>	<u>12,595,354</u>	<u>72%</u>	<u>(2,106,914)</u>	<u>(17%)</u>
Gross profit						
OEM Systems	1,662,838	12%	3,542,956	20%	(1,880,118)	(53%)
Aftermarket parts & retrofits	948,661	8%	1,412,127	8%	(463,466)	(33%)
	<u>2,611,499</u>	<u>20%</u>	<u>4,955,083</u>	<u>28%</u>	<u>(2,343,584)</u>	<u>(47%)</u>
Gross profit %						
OEM Systems	16%		25%		(9%)	
Aftermarket parts & retrofits	39%		42%		(3%)	
Expenses						
Selling, general & administrative	3,708,620	28%	3,360,161	19%	348,459	10%
Research & development costs	170,059	2%	55,252	0%	114,807	208%
Depreciation	130,802	1%	122,381	1%	8,421	7%
	<u>4,009,481</u>	<u>31%</u>	<u>3,537,794</u>	<u>20%</u>	<u>471,687</u>	<u>13%</u>
(Loss) income from operations	(1,397,982)	(11%)	1,417,289	8%	(2,815,271)	(199%)
Other (income) expense						
Interest, net	(183)	0%	17,471	0%	(17,654)	(101%)
(Loss) income before taxes(EBT)	(1,398,165)	(11%)	1,434,760	8%	(2,832,925)	(197%)
(Recovery of) provision for income taxes	(612,695)	(5%)	498,439	3%	(1,111,134)	(223%)
Net (loss) income	(785,470)	(6%)	936,321	5%	(1,721,791)	(184%)
Foreign currency translation adjustment	384,324	3%	(296,153)	(1%)	680,477	230%
Comprehensive (loss) income	(401,146)	(3%)	640,168	4%	(1,041,314)	(163%)

OEM systems revenue decreased 25% for the nine month period ended March 31, 2010 over the same period in fiscal 2009, due primarily to the 2009 sale of Wet Electrostatic Precipitators (WESPs) systems and retrofits to the wood products industry (182% of decrease) and the 2009 sale of evaporative gas cooling systems to the cement industry (154% of decrease), which sales were not repeated over the same period in fiscal 2010, partially offset by the sale of a CGT system to the wood products industry (138% of decrease), wet scrubbers to the petroleum industry (28% of decrease) and a semi-dry scrubbing system to the cement industry (71% of decrease) recorded during the nine month period ended March 31, 2010.

The cost of sales for OEM systems decreased 16% for the nine month period ended March 31, 2010 over the same period in the prior year, which reflects the decreased revenue volume.

As a result, gross profit on OEM systems in the first nine months of fiscal 2010 was 16% and in the same period in fiscal 2009 was 25%. Relative to total revenue for our company, OEM Systems contributed gross profit of \$1,662,838 (12% of total revenue) in the first nine months of fiscal 2010 and \$3,542,956 (20% of total revenue) for the same period in fiscal 2009. The lower gross profit percentages are primarily the result of two large contracts strategically taken at lower margins in the fiscal 2010 period to establish new markets.

Aftermarket revenues decreased 27% for the nine month period ended March 31, 2010 over the same period in the prior fiscal year due mostly to decreased semi-dry scrubbing (38% of decrease), evaporative gas cooling (14% of decrease) and wet scrubber components (15% of decrease) and spare parts shipments in general (30% of decrease). We have experienced a decreased volume of component and spare parts sales as our customers have curtailed production.

The cost of sales for Aftermarket products decreased 22% for the nine month period ended March 31, 2010 over the same period in fiscal 2009, due to lower sales volume and lower prices attained in fiscal 2010 compared in fiscal 2009. The gross profit attributable to Aftermarket products was 8% of total revenue for both of the nine month comparable periods.

The gross profit contribution from OEM systems in fiscal 2010 decreased 53% over fiscal 2009, and Aftermarket gross profit contributions in fiscal 2010 decreased 33% over fiscal 2009. This was due to lower sales volumes and lower gross margins in both segments for 2010 compared to 2009.

Selling, general and administrative expenses increased \$348,459 (10%) for the nine-month period ended March 31, 2010 over the prior fiscal year. This increase is due to increased sales personnel salaries and benefits (39% of increase), patent fees (15% of increase), legal fees including those incurred to date in responding to a patent claim (61% of increase), foreign exchange impact on Canadian expenses, 2010 versus 2009 (28% of increase) and stock-based compensation expense (5% of increase) partially offset by a 2009 bad debt expense not repeated in fiscal 2010 (28% of increase) and cost containment measures instituted March 1, 2010 (22% of increase). As a percentage of total revenue, selling, general and administrative expenses were 28% of total revenue for the nine month period ended March 31, 2010 compared to 19% of total revenue in the comparable period in fiscal 2009. Research and development costs increased \$114,807 (208%) for the nine month period ended March 31, 2010 compared to the same period one year ago due to additional project activity. Depreciation of \$130,802 was recorded in the first nine months compared to \$122,381 for the same period one year earlier.

The decrease of \$17,654 in interest earned is due to the lower cash balances and reduced interest rates experienced in fiscal 2010 versus those of fiscal 2009.

Income before taxes decreased by \$2,832,925 for the nine-month period ended March 31, 2010 over the comparable period in the prior year. This decrease reflects lower sales volume, lower gross profit, and higher expenses in the first nine months of fiscal 2010 compared to the first nine months of fiscal 2009.

Recovery of income taxes for the first nine months of fiscal 2010 was \$612,695 compared to a provision for income taxes of \$498,439 for the comparable period in fiscal 2009. The tax rates remained comparable for both periods and in 2010 we recognized additional tax credits of \$133,212 for Canadian investment tax credits on a 2008 corporate tax filing [see note 4 to the Consolidated Condensed Financial Statements].

The foreign currency translation adjustment reflects the exchange values for Canadian dollar and Euro accounts on the balance sheet converted to US dollars. The statement of comprehensive income reflects an increase in the carrying value of these accounts of \$384,324 during the first nine months of fiscal 2010 while the shareholders' equity carries the cumulative value of currency exchange for balance sheet accounts.

Liquidity and Capital Resources

Cash Summary	March 31, 2010	March 31, 2009
Cash (applied to) provided by:	\$	\$
Operations	(3,546,564)	1,299,678
Purchase of equipment	(44,903)	(234,337)
Disposition proceeds – property and equipment	--	752
Repayment of capital leases and long-term debt	(58,786)	(4,481)
Effect of exchange rate changes on cash and cash equivalents	348,400	(324,261)
Net cash (applied) provided during the period	<u>(3,301,853)</u>	<u>737,351</u>
Cash and cash equivalents - beginning of period	<u>5,621,166</u>	<u>3,190,181</u>
Cash and cash equivalents - end of period	<u><u>2,319,313</u></u>	<u><u>3,927,532</u></u>

Working Capital Summary	March 31, 2010	March 31, 2009
Current assets	7,360,793	9,359,579
Current liabilities	<u>3,089,493</u>	<u>5,487,913</u>
Net working capital	<u>4,271,300</u>	<u>3,871,666</u>
Current ratio	<u><u>2.38</u></u>	<u><u>1.71</u></u>

Summary of Contracts in Progress	March 31, 2010	March 31, 2009
Contract value completed and to be invoiced	1,891,225	817,226
Contract advances invoiced	<u>(944,638)</u>	<u>(2,350,554)</u>
Net contracts in progress	<u><u>946,587</u></u>	<u><u>(1,533,328)</u></u>

Contract Backlog	March 31, 2010	March 31, 2009
Contract value to be recognized as revenue	<u><u>1,600,000</u></u>	<u><u>8,100,000</u></u>

During the nine-month period ended March 31, 2010, cash of \$3,301,853 was applied in our business while compared to the same period in fiscal 2009 when cash of \$737,351 was generated in our business. The application of cash in our business in fiscal 2010 is due to the decline in operations, purchase of equipment, repayment of debt and changes in foreign exchange.

Our working capital position increased to \$4.3 million at March 31, 2010 from \$3.9 million at March 31, 2009 with the expectation that recovery of certain income taxes is now current. The current ratio increased to 2.38:1 as at March 31, 2010 from 1.71:1 at March 31, 2009.

Our contract payment terms provide for funding the progression of work to the point of delivery. A final holdback amount is often dependent on commissioning, specified performance criteria or a fixed time of operations. At any point in time, the contracts in process with costs that exceed invoicing may be greater than the contracts that have been invoiced in advance of performance. At March 31, 2010, the net position of contracts in progress is an investment of \$946,587 compared to March 31, 2009 with advance payments of \$1,533,328.

We have a credit facility with a major Canadian bank for a total of CAD \$6.55 million, which was renewed early in calendar 2010 under the same terms and conditions. This facility includes a demand operating line of CAD \$1.5 million secured by our receivables, a demand credit for standby letters of credit for USD \$4.25 million secured by a general security agreement and guarantees provided by Export Development Canada, on a fee-for-service basis, a term loan of CAD \$250,000 for computer equipment, and a demand credit for foreign exchange contracts for CAD \$750,000. At March 31, 2010 we had standby letters of credit for approximately \$1.9 million (\$2.4 million at June 30, 2009) outstanding with various customers in order to receive cash proceeds ahead of customer-specified milestones. Our term bank loan outstanding was \$170,905 and there were no drawdowns against the operating line of credit or outstanding foreign exchange contracts at March 31, 2010 (nil at June 30, 2009).

Our backlog as at March 31, 2010 was approximately \$1,600,000, compared to the March 31, 2009 backlog of \$8,100,000, with approximately 100% expected to convert to revenue by June 30, 2010. There are no assurances that backlog will be replicated, increased or converted at current value into revenues in the future.

In summary, we believe that we have sufficient capital resources to support anticipated operations through March 31, 2011.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Foreign transactions are conducted in Canadian dollars, US dollars or Euro to accommodate customers and all reporting is prepared in US dollars. As a result, fluctuations in currency exchange rates may affect operating results. To mitigate currency exposure, we attempt to contract outsourcing, where practical, in the same currency as the sales contract or with fabricators where the all-in costs, including currency, are most favorable. We do not engage in trading market risk sensitive instruments that are likely to expose us to market risk, whether interest rate, foreign currency exchange, commodity price or equity price risk, other than as noted.

We had entered into contracts to hedge certain third-party transactions denominated in foreign currencies forecasted to occur in fiscal 2009. These contracts expired at June 30, 2009.

At March 31, 2010, we had outstanding standby letters of credit totaling \$1.9 million and an outstanding bank loan balance of \$170,905, that could subject us to the risk of interest rate fluctuations.

ITEM 4: CONTROLS AND PROCEDURES

Our management has carried out an evaluation, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of March 31, 2010. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2010.

There has not been any change in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the quarter ended March 31, 2010 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II: OTHER INFORMATION

ITEM 1: LEGAL PROCEEDINGS

Not applicable.

ITEM 1A: RISK FACTORS

There have been no material changes in the risk factors from those disclosed in Item 1A of our annual report on Form 10-K for the year ended June 30, 2009.

ITEM 2: UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Not applicable

ITEM 3: DEFAULTS UPON SENIOR SECURITIES

Not applicable

ITEM 4. RESERVED

ITEM 5: OTHER INFORMATION

On May 14, 2010, we issued a press release announcing our financial results for the three and nine months ended March 31, 2010. A copy of the press release is being furnished as Exhibit 99.1 to this report and incorporated herein by reference.

ITEM 6: EXHIBITS

Exhibit 31.1	Rule 13a-14(a)/15d-14(a) Certifications
Exhibit 32.1	Section 1350 Certifications
Exhibit 99.1	Earnings Press Release dated May 14, 2010

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.

Dated: May 14, 2010

TURBOSONIC TECHNOLOGIES, INC.

By: /s/ Carl A. Young

Carl A. Young

Chief Financial Officer

302 Certification

I, Edward F. Spink, certify that:

1. I have reviewed this Form 10-Q of TurboSonic Technologies, Inc.;
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant'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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and 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 registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this 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
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (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 the registrant's 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 the registrant's internal control over financial reporting.

Date: May 14, 2010

/s/ EDWARD F. SPINK
Edward F. Spink
Chief Executive Officer

302 Certification

I, Carl A. Young, certify that:

1. I have reviewed this Form 10-Q of TurboSonic Technologies, Inc.;
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant'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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and 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 registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this 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
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (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 the registrant's 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 the registrant's internal control over financial reporting.

Date: May 14, 2010

/s/ CARL A. YOUNG
Carl A. Young
Chief Financial Officer

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 TurboSonic Technologies Inc., (the "Company"), on Form 10-Q for the period ending March 31, 2010, as filed with the Securities and Exchange Commission, (the "Report"), I, Edward F. Spink, Chief Executive Officer of the Company, certify, pursuant to 18U.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 result of operations of the Company.

/s/ EDWARD F. SPINK
Edward F. Spink
Chief Executive Officer
May 14, 2010

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 TurboSonic Technologies Inc., (the "Company"), on Form 10-Q for the period ending March 31, 2010, as filed with the Securities and Exchange Commission, (the "Report"), I, Carl A. Young, Chief Financial Officer of the Company, certify, pursuant to 18U.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 result of operations of the Company.

/s/ CARL A. YOUNG
Carl A. Young
Chief Financial Officer
May 14, 2010