

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
June 30, 2006

Commission File Number
0-17187

LOGIC Devices Incorporated
(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of
incorporation or organization)

94-2893789
(I.R.S. Employer
Identification Number)

395 West Java Drive, Sunnyvale, California 94089
(Address of principal executive offices)
(Zip Code)

(408) 542-5400
(Registrant's telephone number, including area code)

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act (Check One):

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer

Indicate by check 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 the issuer's classes of common stock, as of the latest practicable date. On July 28, 2006, 6,753,188 shares of Common Stock, without par value, were issued and outstanding.

LOGIC Devices Incorporated

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Part I – Financial Information

Item 1. Financial Statements

Condensed Balance Sheets

	June 30, 2006 (unaudited)	September 30, 2005
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,949,300	\$ 1,292,900
Accounts receivable, net of no allowance for doubtful accounts	623,800	734,900
Inventories	5,199,300	5,626,400
Prepaid expenses and other current assets	211,600	165,700
Property tax refund receivable	-	45,000
Total current assets	7,984,000	7,864,900
Property and equipment, net	1,108,200	1,163,400
Other assets, net	416,200	519,100
	\$ 9,508,400	\$ 9,547,400
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 61,500	\$ 207,000
Accrued payroll and vacation	106,500	61,500
Accrued commissions	3,400	7,100
Other accrued expenses	4,200	-
Total current liabilities	175,600	275,600
Deferred rent	23,200	33,800
Total liabilities	198,800	309,400
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, no par value; 1,000,000 shares authorized; 5,000 designated as Series A; 0 shares issued and outstanding	-	-
Common stock, no par value; 10,000,000 shares authorized, 6,753,188 shares issued and outstanding	18,447,500	18,447,500
Additional paid-in capital	114,000	100,000
Accumulated deficit	(9,251,900)	(9,309,500)
Total shareholders' equity	9,309,600	9,238,000
	\$ 9,508,400	\$ 9,547,400

See accompanying Notes to Condensed Financial Statements.

Condensed Statements of Operations

(unaudited)

	For the quarter ended:	
	June 30, 2006	June 30, 2005
Net revenues	\$ 1,216,400	\$ 662,100
Cost of revenues	594,300	343,300
Gross margin	622,100	318,800
Operating expenses:		
Research and development	267,200	213,700
Selling, general, and administrative	314,500	344,100
Total operating expenses	581,700	557,800
Income (loss) from operations	40,400	(239,000)
Other income, net	19,700	4,500
Income (loss) before provision for income taxes	60,100	(234,500)
Provision for income taxes	—	—
Net income (loss)	\$ 60,100	\$ (234,500)
Basic income (loss) per common share	\$ 0.01	\$ (0.03)
Diluted income (loss) per common share	\$ 0.01	\$ (0.03)
Basic weighted average common shares outstanding	6,753,188	6,753,188
Diluted weighted average common shares outstanding	6,781,282	6,753,188

See accompanying Notes to Condensed Financial Statements.

Condensed Statements of Operations

(unaudited)

	For the nine months ended:	
	June 30, 2006	June 30, 2005
Net revenues	\$ 3,365,300	\$ 2,494,000
Cost of revenues	1,723,800	1,424,400
Gross margin	1,641,500	1,069,600
Operating expenses:		
Research and development	620,100	610,500
Selling, general, and administrative	995,600	1,027,100
Total operating expenses	1,615,700	1,637,600
Income (loss) from operations	25,800	(568,000)
Other income, net	32,600	14,200
Income (loss) before provision for income taxes	58,400	(553,800)
Provision for income taxes	800	800
Net income (loss)	\$ 57,600	\$ (554,600)
Basic income (loss) per common share	\$ 0.01	\$ (0.08)
Diluted income (loss) per common share	\$ 0.01	\$ (0.08)
Basic weighted average common shares outstanding	6,753,188	6,748,744
Diluted weighted average common shares outstanding	6,767,226	6,748,744

See accompanying Notes to Condensed Financial Statements.

Condensed Statements of Cash Flows

(unaudited)

	For the nine months ended:	
	June 30, 2006	June 30, 2005
Cash flows from operating activities:		
Net income (loss)	\$ 57,600	\$ (554,600)
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation and amortization	189,700	201,200
Issuance of common stock options to directors	14,000	–
Inventory reserve	570,000	–
Write-off of capitalized software development costs	200,000	–
Loss on disposal of capital equipment	3,500	–
Deferred rent	(10,600)	(5,000)
Change in operating assets and liabilities:		
Accounts receivable	111,100	197,100
Inventories	(142,900)	330,500
Prepaid expenses and other current assets	(900)	(39,600)
Accounts payable	(145,500)	(113,700)
Accrued payroll and vacation	45,000	31,000
Accrued commissions	(3,700)	(8,900)
Other accrued expenses	4,200	7,700
Net cash provided by operating activities	891,500	45,700
Cash flows from investing activities:		
Capital expenditures	(137,900)	(368,200)
Other assets	(97,200)	(156,500)
Net cash used in investing activities	(235,100)	(524,700)
Cash flows from financing activities		
Proceeds from exercise of common stock options	–	11,000
Net cash provided by financing activities:	–	11,000
Net increase (decrease) in cash and cash equivalents	656,400	(468,000)
Cash and cash equivalents, beginning of period	1,292,900	1,788,900
Cash and cash equivalents, end of period	\$ 1,949,300	\$ 1,320,900

See accompanying Notes to Condensed Financial Statements.

LOGIC Devices Incorporated

Notes to Condensed Financial Statements

(unaudited)

1. Basis of Presentation

The accompanying unaudited interim financial statements reflect all adjustments that are, in the opinion of management, necessary to present fairly the financial position, results of operations, and cash flows of the Company for the periods indicated.

The accompanying unaudited interim financial statements have been prepared in accordance with the instructions for Form 10-Q, and, therefore, do not include all information and footnotes necessary for a complete presentation of the financial position, results of operations, and cash flows for the Company, in conformity with accounting principles generally accepted in the United States of America. The Company has filed audited financial statements that include all information and footnotes necessary for such a presentation of the financial position, results of operations, and cash flows for the fiscal years ended September 30, 2005 and 2004, with the Securities and Exchange Commission. It is suggested that the accompanying unaudited interim financial statements be read in conjunction with the aforementioned audited financial statements. In the opinion of management, the unaudited interim financial statements reflect all adjustments (consisting of normal and recurring accruals) necessary to make the results of operations for the interim periods a fair statement of such operations. The results of operations for the interim period ended June 30, 2006 are not necessarily indicative of the results to be expected for the full fiscal year to end September 30, 2006.

2. Inventories

A summary of inventories follows:

	<i>June 30, 2006</i>	<i>September 30, 2005</i>
Raw materials	\$ 644,500	\$ 776,400
Work-in-process	2,193,000	2,192,100
Finished goods	2,361,800	2,657,900
	<u>\$ 5,199,300</u>	<u>\$ 5,626,400</u>

3. Shareholders' Equity

The Company issues common stock options to its employees, certain consultants, and certain of its board members. Effective January 1, 2006, the Company adopted Financial Accounting Standards Board ("FASB") Statement No. 123 (revised 2004) ("FAS 123 (R)"), *Share-Based Payments*. FAS 123 (R) requires all entities to recognize compensation expense in an amount equal to the fair value of share-based payments, such as stock options granted to employees. The Company elected to apply FAS 123 (R) on a modified prospective method. Under this method, the Company is required to record compensation expense for newly granted options and (as previous awards continue to vest) for the unvested portion of previously granted awards that remain outstanding at the date of adoption. Additionally, the financial statements for the prior interim periods and fiscal year do not reflect any adjusted amounts.

Prior to the adoption of FAS 123 (R), the Company accounted for stock options under the recognition and measurement principles of Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees*, and related Interpretations. Per FASB Statement No. 148, *Accounting for Stock-Based Compensation – Transition and Disclosure, an Amendment of FASB Statement No. 123*, the Company must provide disclosure of the effect on net loss and net loss per common share had the Company applied the fair value recognition provisions of Statement No. 123, *Accounting for Stock-Based Compensation*, to stock-based compensation as of June 30, 2005. There is no pro forma disclosure for the fiscal quarter ended June 30, 2005 as no stock options were granted and all previously granted stock options vested prior to the beginning of that fiscal quarter. For the nine-month period ended June 30, 2005, the pro forma disclosure would be \$24,100 of compensation expense, resulting in a pro forma net loss of \$578,700 for the nine months ended June 30, 2005.

4. Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated by dividing net income or loss by the weighted average common shares outstanding during the period. Diluted earnings (loss) per share reflects the net incremental shares that would be issued if dilutive outstanding stock options were exercised, using the treasury stock method. In the case of a net loss, no incremental shares would be issued because they are antidilutive. Stock options with exercise prices above the average market price during the period are also antidilutive.

For the quarter and nine-month period ended June 30, 2006, the Company had 28,094 and 14,038 dilutive common shares, respectively, as the weighted average price of the Company's common stock during the quarter and nine-month period was \$1.326 and \$1.217, respectively. No stock options were included in the computation of diluted loss per share for the quarter and six months ended June 30, 2005 because the Company incurred a net loss.

5. Income Taxes

Future tax benefits are subject to a valuation allowance when management is unable to conclude that its deferred income tax assets will more likely than not be realized from the results of operations. The ultimate realization of deferred income tax assets is dependent upon generation of future taxable income during the periods in which those temporary differences become deductible. Management considers projected future taxable income and tax planning strategies in making this assessment. Based on historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets become deductible, management believes it more likely than not that the Company will not realize benefits of these deductible differences as of June 30, 2006. Management has, therefore, established a valuation allowance against its net deferred tax assets as of June 30, 2006.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Reported financial results may not be indicative of the financial results of future periods. All non-historical information contained in the following discussion constitutes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Words such as “anticipates, appears, expects, intends, hopes, plans, believes, seeks, estimates, may, will,” and variations of these words or similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve a number of risks and uncertainties, including but not limited to operating results, new product introductions and sales, competitive conditions, customer demand, capital expenditures and resources, manufacturing capacity utilization, and intellectual property claims and defense. Factors that could cause actual results to differ materially are included in, but not limited to, those identified in "Item 1A – Risk Factors" in the Annual Report on Form 10-K for the Company's fiscal year ended September 30, 2005 and in any Quarterly Report on Form 10-Q for a prior quarter in the Company's fiscal year ending September 30, 2006 and in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" in such Annual Report on Form 10-K and in this Quarterly Report on Form 10-Q. The Company undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may reflect events or circumstances after the date of this report.

Liquidity and Capital Resources

Cash Flows

During the nine-month period ended June 30, 2006, the Company produced net cash of \$691,500 from operations while having a net income of \$57,600. During the period, the Company established additional inventory reserves of \$570,000 and wrote-off \$200,000 of capitalized test software, both of which reduced net income but not cash flows. The Company had net collections of \$111,100 of accounts receivable, while it used \$142,900 to produce inventory and \$145,500 to reduce accounts payable. The Company also used \$137,900 on capital expenditures and \$97,200 on the development of capitalized test software.

While the Company had a net loss of \$554,600 for the nine-month period ended June 30, 2005, it produced net cash of \$45,700 from operations during this period. The Company used \$162,200 to increase prepaid expenses and other current assets and reduce accounts payable and accrued commissions, and it generated \$330,500 from the reduction of inventories. The Company used \$368,200 on capital expenditures, mainly for the production of its new products, including \$305,200 on the purchase of engineering design software, and \$156,500 on the development of capitalized test software. The Company received \$11,000 from the exercise of common stock options by a director.

Working Capital

Historically, due to order scheduling by our customers, up to 75% of the Company's quarterly revenues are often shipped in the last month of the fiscal quarter, so a large portion of the shipments included in quarter-end accounts receivable are not yet due per the Company's net 30-day terms. As a result, quarter-end accounts receivable balances are often at their highest point for the respective period.

Our investment in inventories has been significant and will continue to be significant in the future. However, during the past few years, we have been able to reduce our levels of inventories as we shift from more competitive second source products to proprietary sole source products. We seek to further streamline our inventories as we continue to shift to sole source proprietary products. Although high levels of inventory impact liquidity, the Company believes these costs are a less costly alternative to owning a wafer fabrication facility.

The Company establishes reserves through periodic reviews of inventory on-hand, including lower-of-cost-or-market and excess analyses. For example, if a product type has unit costs higher than the average selling price or has more on-hand than it has sold or expects to sell, the Company provides a reserve. The Company believes its current reserve (approximately 30% of total gross inventories) provides a reasonable estimate of the recoverability of inventories. The Company also takes physical inventory write-downs for obsolete and slow-moving items when deemed necessary.

Expected Future Operating and Capital Needs

The Company will continue to evaluate future debt and equity financing opportunities; however, it feels the cost reductions implemented in the past few years have resulted in sufficient cash flow generated from operations to provide an adequate base of liquidity to fund future operating and capital needs. The Company's belief is based on the fact that, as of July 27, 2006, it held approximately \$2.0 million in cash and cash equivalents. The Company believes it can cover its cash operating expenses using future revenues, while saving current cash reserves for future capital expenditures, such as mask tooling for new products. At current resource levels, the Company does not anticipate being able to take advantage of all the new product development opportunities it has identified. However, as it considers product development critical to its future success, the Company anticipates its research and development expenditures will continue to be a significant portion of its operating expenses.

New Accounting Pronouncements

In June 2005, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard No. 154, *Accounting Changes and Error Corrections*, a replacement of APB Opinion No. 20, *Accounting Changes*, and SFAS No. 3, *Reporting Accounting Changes in Interim Financial Statements*, (SFAS 154). SFAS 154 changes the requirements for the accounting for and reporting of a change in accounting principle. Previously, most voluntary changes in accounting principles required recognition of a cumulative effect adjustment within net income of the period of the change. SFAS 154 requires retrospective application to prior periods' financial statements, unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. SFAS 154 is effective for accounting changes made in fiscal years beginning after December 15, 2005; however, it does not change the transition provisions of any existing accounting pronouncements. We do not believe adoption of SFAS 154 will have a material effect on our financial position, results of operations, or cash flows.

In November 2004, the FASB issued Statement of Financial Accounting Standard No. 151, *Inventory Costs* (SFAS 151). SFAS 151 requires that abnormal amounts of idle facility expense, freight, handling costs and spoilage be recognized as current-period charges. Further, SFAS 151 requires the allocation of fixed production overheads to inventory based on the normal capacity of the production facilities. Unallocated overheads must be recognized as an expense in the period in which they are incurred. SFAS 151 is effective for inventory costs incurred beginning in the first quarter of fiscal 2007. We are currently evaluating the effect of SFAS 151 on our financial statements and related disclosures.

Results of Operations

Revenues

The Company's net revenues for the quarter and nine-month period ended June 30, 2006 increased by \$554,300 or 84% and \$871,200 or 35%, respectively, compared to the same periods of fiscal 2005. These increases are due to increases in certain customers' order quantity rates and from certain customers returning to their past order quantity rates after a slowdown in fiscal 2005.

Expenses

The cost of revenues for the quarter and nine-month period ended June 30, 2006 increased by \$251,000 or 73% and \$299,400 or 21%, respectively, compared to the same periods of fiscal 2005. This quarterly and nine-month increase was the result of the increase in revenues. The cost of revenues did not increase as much as the revenues for the nine-month period because 19% of the fiscal 2006 period's revenues were from items previously written-down to zero, compared to only 12% in the same period of fiscal 2005. The quarterly cost of revenues did not increase as much as the quarterly revenues due to the mix of products being more profitable, although not at zero-value. The increased profitability of the quarterly and nine-month cost of revenues was partially offset by an increase to the inventory reserve of \$320,000 and \$570,000, respectively.

Research and development expenses for the quarter and nine-month period ended June 30, 2006 increased by \$53,500 or 25% and \$9,600 or 2%, respectively, compared to the same periods of fiscal 2005. These increases are mainly due to an increase in staffing to meet new product development needs.

Selling, general, and administrative expenses for the quarter and nine-month period ended June 30, 2006 decreased by \$29,600 or 9% and \$31,500 or 3%, respectively, compared to the same periods of fiscal 2005. These decreases are mainly due to changes in the sales staffing structure.

As a result of the above positive factors, the Company experienced a net income for the quarter and nine-month period ended June 30, 2006 of \$60,100 and \$57,600, respectively, compared to a net loss of \$234,500 and \$554,600, respectively, for the same periods of fiscal 2005.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The Company conducts all of its transactions, including those with foreign suppliers and customers, in U.S. dollars. It is therefore not directly subject to the risks of foreign currency fluctuations and does not hedge or otherwise deal in currency instruments in an attempt to minimize such risks. Demand from foreign customers and the ability or willingness of foreign suppliers to perform their obligations to the Company may be affected by the relative change in value of such customer or supplier's domestic currency to the value of the U.S. dollar. Furthermore, changes in the relative value of the U.S. dollar may change the price of the Company's prices relative to the prices of its foreign competitors. The Company also does not hold any market risk sensitive instruments that are not considered cash under accounting principles generally accepted in the United States of America.

Item 4. Controls and Procedures

Based upon an evaluation as of June 30, 2006, the Company's President and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective. There have been no changes in the Company's internal control over financial reporting that occurred during the Company's quarter ended June 30, 2006 that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II – OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, the Company receives demands from various parties asserting patent or other claims in the ordinary course of business. These demands are often not based on any specific knowledge of the Company's products or operations. Because of the uncertainties inherent in litigation, the outcome of any such claim, including simply the cost of a successful defense against such a claim, could have a material adverse impact on the Company.

Item 1A. Risk Factors

There are no material changes to the risk factors disclosed in the Form 10-K filed for the fiscal year ended September 30, 2005.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

The Index to Exhibits appears as Page 14 of this report.

SIGNATURES

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.

LOGIC Devices Incorporated
(Registrant)

Date: July 28, 2006

By: /s/ William J. Volz
William J. Volz
President and Principal Executive Officer

Date: July 28, 2006

By: /s/ Kimiko Milheim
Kimiko Milheim
Chief Financial Officer and Principal Financial
and Accounting Officer

INDEX TO EXHIBITS

Exhibit No.	Description
3.1	Articles of Incorporation, as amended in 1988. [3.1] (1)
3.2	Bylaws, as amended in 1988. [3.1] (1)
10.1	Real Estate lease regarding Registrant's Sunnyvale, California facilities. [10.2] (2)
10.2	LOGIC Devices Incorporated 1996 Stock Incentive Plan. [99.1] (3)
10.3	Amended and Restated LOGIC Devices Incorporated 1998 Director Stock Incentive Plan, as amended. [10.3] (4)
10.4	Rights Agreement, dated April 30, 1997. [1] (5)
10.5	Registration Rights Agreement dated October 3, 1998 between William J. Volz, BRT Partnership, and Registrant. [10.19] (6)
31.1	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14 and 15d-14.
31.2	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14 and 15d-14.
32.1	Certifications of Principal Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350.
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[]	Exhibits so marked have been previously filed with the Securities and Exchange Commission (SEC) as exhibits to the filings shown below under the exhibit numbers indicated following the respective document description and are incorporated herein by reference.
(1)	Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2004, as filed with the SEC on January 26, 2005.
(2)	Annual Report on Form 10-K for the fiscal year ended September 29, 2002, as filed with the SEC on December 10, 2002.
(3)	Registration Statement on Form S-8, as filed with the SEC on August 17, 1997 [Registration No. 333-32819].
(4)	Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2004, as filed with the SEC on May 12, 2004.
(5)	Registration Statement on Form 8-A, as filed with the SEC on May 5, 1997 [Registration No. 000-17187].
(6)	Annual Report on Form 10-K for the transition period from January 1, 1998 to September 30, 1998, as filed with the SEC on January 13, 1999.

Certification

I, William J. Volz, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LOGIC Devices Incorporated (the registrant);
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 Rules 13a-15(e) and 15d-15(e)) 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 is made known to us by others, particularly during the period in which this report is being prepared;
 - (b) 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
 - (c) 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 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:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that 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: July 28, 2006

/s/ William J. Volz

William J. Volz

President and Principal Executive Officer

Certification

I, Kimiko Milheim, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LOGIC Devices Incorporated (the registrant);
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 Rules 13a-15(e) and 15d-15(e)) 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 is made known to us by others, particularly during the period in which this report is being prepared;
 - (b) 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
 - (c) 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 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:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that 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: July 28, 2006

/s/ Kimiko Milheim

Kimiko Milheim
Chief Financial Officer

**Certifications of
Principal Executive Officer and Chief Financial Officer
Pursuant to 18 U.S.C. Section 350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

We, William J. Volz, President and Principal Executive Officer, and Kimiko Milheim, Chief Financial Officer, of LOGIC Devices Incorporated (the Company), do hereby certify in accordance with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, based on our knowledge:

1. the Quarterly Report on Form 10-Q of the Company, to which this certification is attached as an exhibit (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 this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 28, 2006

/s/ William J. Volz

William J. Volz
President and Principal Executive Officer

Date: July 28, 2006

/s/ Kimiko Milheim

Kimiko Milheim
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to LOGIC Devices Incorporated and will be retained by LOGIC Devices Incorporated and furnished to the Securities and Exchange Commission or its staff upon request.