FOR IMMEDIATE RELEASE

CPI AEROSTRUCTURES ANNOUNCES RECORD 2010 SECOND QUARTER RESULTS

Net Income Up 33% on 10% Increase in Revenue

Year-To-Date Contract Awards Top $31 Million

Edgewood, NY – August 10, 2010 – CPI Aerostructures, Inc. ("CPI Aero®") (NYSE Amex: CVU) today announced record results for the 2010 second quarter and six month period ended June 30, 2010.

Second Quarter 2010 vs. 2009

- Revenue increased 10% to $12,544,625 from $11,437,691;
- Gross margin was 26.7% compared to 24.8%;
- Pre-tax income increased 31% to $1,826,254, compared to $1,389,489; and,
- Net income increased 33% to $1,205,254 or $0.18 per diluted share, compared to $903,489, or $0.14 per diluted share. Diluted earnings per share were calculated on 8.7% more shares in 2010 second quarter vs. 2009 second quarter.

First Half 2010 vs. 2009

- Revenue increased 11% to $23,550,154 from $21,128,926;
- Gross margin was 25.9% compared to 23.2%;
- Pre-tax income increased 41% to $3,130,068 compared to $2,216,410;
- Net income increased 42% to $2,066,068 or $0.32 per diluted share, compared to $1,449,410 or $0.23 per diluted share; and,
- Unawarded solicitations remain at a high level with open solicitations totaling a maximum realizable value of approximately $288 million.

Edward J. Fred, CPI Aero's President & CEO, stated, "Our three largest commercial customers, The Boeing Company, Northrop Grumman and Sikorsky accounted for 29%, 20% and 13% of revenue, respectively; only 24% of our revenue for the six month period ended June 30, 2010, was from government prime contract awards."

He continued, "The gross margin gains drove the bottom line improvement for the quarter and year-to-date. Comparable quarter gross margin improved, just as it did in the current first quarter as we are no longer incurring excess costs due to customer-driven engineering and design changes on several new programs as was the case last year. We expect gross margin for 2010 to be in the range of 24% to 26%."

Mr. Fred noted, "Based on results for the first half of the year and expectations for a strong second half, we are confident that we will reach our 2010 guidance which calls for revenue to be in the range of $48 million to $51 million, with resulting net income in the range of $4.3 million to $4.8 million."

Mr. Fred continued, "As of June 30, 2010, total contract awards were approximately $31.1 million which included approximately $5.6 million of government prime contract awards, approximately $24.4 million of government subcontract awards and approximately $1.1 million of commercial subcontract awards, compared to a total of $4.9 million of new contract awards, of all types, in the first half of last year."

Orders received in the second quarter include:

- Our largest order was for Outer Wing Panel kits for use in the manufacture of wings for the E-2D Advanced Hawkeye and the C-2A Greyhound aircraft from Northrop Grumman Corporation valued at up to $27.6 million. The purchase order includes firm, funded requirements valued at approximately $16.4 million and options valued at an additional $11.2 million.
- Boeing expanded the scope of work that we are performing under the existing long-term requirements contract to support its A-10 Wing Replacement Program with additional structural assemblies and subsystem installations and also spare main landing gear door assemblies. These orders have increased the value of our contract with Boeing to approximately $81 million, of which we have received $15.6 million of orders to date.
- We received three purchase orders from Sikorsky Aircraft Corporation with a combined value of approximately $2.6 million: for the S-70B® SEAHAWK® helicopter to provide Penguin Missile Launcher assemblies; for the MH-53 and CH-53 variant helicopters to provide rotary wing head ring assemblies; and, for the MH-53E "Sea Dragon" helicopter to provide tow assemblies.
- The U.S. Air Force released a new order under our C-5 TOP contract for a variety of panels and spoilers valued at approximately $1.5 million. Orders under this program have totaled $32.1 million since the inception of the contract.

Mr. Fred added, "We look forward to additional new orders from existing contracts as well as from the unawarded solicitations of approximately $288 million on which we have bid."

Reaffirms Long-Term Guidance

Mr. Fred added, "We are again reaffirming our long-term guidance which is based on our expectation that our three major long-term production programs (A-10, E-2D and G650) will be in full scale production and producing consistent significant revenue during 2011. For 2011 we expect that revenue will be in the range of $78 million to $81 million, with resulting net income in the range of $8.9 million to $9.5 million. Using 2008 as the baseline, we expect a three-year compound annual growth rate for revenue in the range of 30% to 35%, with a resulting compound annual growth rate for net income in the range of 50% to 60%."

Raises $3.5 Million through Registered Direct Offering

Mr. Fred concluded, "As previously announced, in the second quarter of 2010 we completed a registered direct offering raising $3.5 million in net proceeds through the sale of 500,000 shares of our common stock. As a result, we strengthened our financial position in preparation for continued growth and enhanced the potential liquidity of our stock."

Conference Call

CPI Aero's President and CEO, Edward J. Fred, and CFO, Vincent Palazzolo, will host a conference call today, Tuesday, August 10, 2010 at 10:00 am ET to discuss second quarter results as well as recent corporate developments. After opening remarks, there will be a question and answer period. Interested parties may participate in the call by dialing 706-679-3079. Please call in 10 minutes before the scheduled time and ask for the CPI Aero call. The conference call will also be broadcast live over the Internet. To listen to the live call, please go to www.cpiaero.com and click on the "Investor Relations" section, then click on "Event Calendar". Please access the website 15 minutes prior to the call to download and install any necessary audio software. The conference call will be archived and can be accessed for approximately 90 days. We suggest listeners use Microsoft Explorer as their browser.

About CPI Aero

CPI Aero is engaged in the contract production of structural aircraft parts for leading prime defense contractors, the U.S. Air Force and other branches of the armed forces. In conjunction with its assembly operations, CPI Aero provides engineering, technical and program management services. Among the key programs that CPI Aero supplies are the E-2D Hawkeye surveillance aircraft, the UH-60 BLACK HAWK helicopter, the S-92® helicopter, the MH-60S mine countermeasure helicopter, the Gulfstream G650, C-5A Galaxy cargo jet, the T-38 Talon jet trainer, the A-10 Thunderbolt attack jet, and the E-3 Sentry AWACS jet. CPI Aero is included in the Russell Microcap® Index.

The above statements include forward looking statements that involve risks and uncertainties, which are described from time to time in CPI Aero's SEC reports, including CPI Aero's Form 10-K for the year ended December 31, 2009 and Form 10-Q for the quarter ended March 31, 2010.

CPI Aero® is a registered trademark of CPI Aerostructures, Inc.

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(See Accompanying Tables)

CPI AEROSTRUCTURES, INC.
CONDENSED STATEMENTS OF INCOME

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2010	2009	2010	2009
	(Unaudited)		(Unaudited)	
Revenue	$ 12,544,625	$ 11,437,691	$ 23,550,154	$ 21,128,926
Cost of Sales	9,193,296	8,605,436	17,449,743	16,233,775
Gross profit	3,351,329	2,832,255	6,100,411	4,895,151
Selling, general and administrative expenses	1,484,741	1,386,064	2,870,368	2,575,294
Income from operations	1,866,588	1,446,191	3,230,043	2,319,857
Interest expense	40,334	56,702	99,975	103,447
Income before provision for income taxes	1,826,254	1,389,489	3,130,068	2,216,410
Provision for income taxes	621,000	486,000	1,064,000	767,000
Net income	$ 1,205,254	$ 903,489	$ 2,066,068	$ 1,449,410
Earnings per common share – basic	$ 0.18	$ 0.15	$ 0.33	$ 0.24
Earnings per common share – diluted	$ 0.18	$ 0.14	$ 0.32	$ 0.23
Shares used in computing earnings per common share:				
Basic	6,558,316	5,995,465	6,299,284	5,990,192
Diluted	6,790,911	6,250,021	6,465,290	6,183,881

CPI AEROSTRUCTURES, INC.
CONDENSED BALANCE SHEETS

	June 30, 2010 (Unaudited)	December 31, 2009
ASSETS		
Current Assets:		
Cash	$ 774,326	$ 2,224,825
Accounts receivable, net	2,735,045	5,403,932
Costs and estimated earnings in excess of billings on uncompleted Contracts	49,042,816	43,018,221
Prepaid expenses and other current assets	352,647	451,068
Total current assets	**52,904,834**	**51,098,046**
Plant and equipment, net	873,058	853,820
Deferred income taxes	697,000	526,000
Other assets	29,313	59,265
Total Assets	**$ 54,504,205**	**$ 52,537,131**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 5,402,271	$ 5,859,182
Accrued expenses	203,901	610,448
Current portion of long-term debt	685,810	636,592
Line of credit	0	2,200,000
Income tax payable	1,327,006	2,368,374
Deferred income taxes	305,000	305,000
Total current liabilities	**7,923,988**	**11,979,596**
Long-term debt, net of current portion	1,519,266	1,801,357
Other liabilities	239,571	238,664
Total Liabilities	**9,682,825**	**14,019,617**
Shareholders' Equity:		
Common stock - $.001 par value; authorized 50,000,000 shares, issued 6,772,590 and 6,122,524 shares, respectively, and outstanding 6,650,756 and 6,033,690 shares, respectively	6,773	6,123
Additional paid-in capital	31,897,934	27,369,043
Retained earnings	13,954,096	11,888,028
Accumulated other comprehensive loss	(56,197)	(52,874)
Treasury stock, 121,834 and 88,834 shares, respectively (at cost)	(981,226)	(692,806)
Total Shareholders' Equity	**44,821,380**	**38,517,514**
Total Liabilities and Shareholders' Equity	**$ 54,505,205**	**$ 52,537,131**

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