FOR IMMEDIATE RELEASE

ORBIT INTERNATIONAL CORP. REPORTS 2018 FIRST QUARTER RESULTS

First Qtr. 2018 Net Income of $421,000 ($0.12 per diluted share) v. $313,000 ($0.08 per diluted share) in Prior Period

First Qtr. 2018 Pre-Tax Income Increases 33.6% From Prior Comparable Period

Backlog at 3/31/18 at $26,489,000 v. 26,630,000 at 12/31/17, as adjusted

CAATS Deliveries to Commence in Third Quarter of 2018

Hauppauge, New York, May 10, 2018 - Orbit International Corp. (OTC PINK:ORBT) today announced results for the first quarter ended March 31, 2018.

First Quarter 2018 vs. First Quarter 2017

- Net sales were $5,349,000, as compared to $5,207,000.
- Gross margin was 40.2%, as compared to 38.7%.
- Net income was $421,000 ($0.12 per diluted share), as compared to a net income of $313,000 ($0.08 per diluted share).
- Earnings before interest, taxes, depreciation and amortization and stock based compensation (EBITDA, as adjusted) was $466,000 ($0.13 per diluted share), as compared to income of $370,000 ($0.09 per diluted share).
- Backlog at March 31, 2018 was $26.5 million compared to $26.6 million at December 31, 2017, as adjusted.

Mitchell Binder, President and CEO of Orbit International Corp. commented, "Our fiscal 2018 has gotten off to a strong start with an increase in revenue and operating income over the comparable prior year period. Our increase in revenue was due to increased sales from our Electronics Group (OEG) which reflected strong bookings in 2017. The increase in operating income was once again attributable to our tight management of costs as well as product mix and operating efficiencies."

Mr. Binder added, "Despite increased sales overall for the quarter, we recorded lower sales from our Power Group (OPG). However, our OPG had a record year of bookings in 2017 highlighted by a total of approximately $16,000,000 of awards against an IDIQ contract totaling $21,709,300 for Common Aircraft Armament Test Sets (CAATS) for the U.S. Navy. We expect improved revenue from our OPG as we commence shipping CAATS units in the third quarter. Pursuant to delivery schedules, shipments of CAATS units should continue through 2020. Furthermore, we expect an additional award against the IDIQ contract around the third quarter of 2018, although the timing of such award is uncertain."

Mr. Binder further added, "Our gross margin for the first quarter improved to 40.2% compared to gross margin of 38.7% from the comparable period of the prior year. Our higher gross profit was attributable to higher revenues, operating efficiencies and product mix from our OEG which was partially offset by a lower gross profit from our OPG due to lower sales. Selling, general and administrative costs increased in the current quarter compared to the prior comparable period primarily due to one-time expenses incurred to increase our cybersecurity controls pursuant to new DoD requirements."

Mr. Binder continued, "Our backlog at March 31, 2018 was approximately $26,489,000 compared to approximately $26,630,000 at December 31, 2017, as adjusted. Backlog, as initially reported at December 31, 2017, was reduced by approximately $1,255,000 in accordance with the new revenue recognition rules promulgated by ASC 606. Our OEG is working with several of its customers on follow-on opportunities which we expect will be received throughout 2018. In addition, our bid pipeline for our OPG is increasing, particularly for its VPX technology, along with the receipt of a growing number of pre-production awards. Bookings for our VPX products through April 2018 have almost reached total bookings for all of 2017. We remain confident that our sales and engineering teams will remain at the forefront of this technology thereby maintaining or increasing our market share of this growing segment of the defense marketplace."

David Goldman, Chief Financial Officer, noted, "On January 1, 2018, we adopted the new revenue recognition standard (ASC 606). When implementing the new standard, we chose the modified retrospective method of transition which resulted in a $330,000 increase to retained earnings ($0.09 book value per share) as well as the creation of a corresponding asset (contract asset) upon adoption. Our tangible book value per share at March 31, 2018 was $4.04 as compared to $3.83 at December 31, 2017 and $3.49 at March 31, 2017 (Note tangible book value per share does not include any additional value for our remaining reserved deferred tax asset)."

Mr. Goldman added, "Our financial condition remains strong. At March 31, 2018, total current assets were approximately $15.9 million versus total current liabilities of approximately $1.7 million for a 9.4 to 1 current ratio. Cash, cash equivalents and marketable securities as of March 31, 2018, aggregated approximately $0.9 million. To offset future federal and state taxes resulting from profits, we have approximately $8.9 million and $0.6 million in available federal and New York State net operating loss carryforwards, respectively, which should enhance future cash flow."

Mr. Goldman concluded, "During the current quarter, our cash and marketable securities decreased and our other current assets increased, primarily due to advance payments to vendors under our CAATS contract. Furthermore, at the end of the current quarter, we drew down $500,000 from our line of credit to meet these advance payments as well as other obligations relating to the procurement of inventory under this contract. Shipments under this contract are expected to begin in the third quarter of this year which should have a positive effect on our cash balances and overall financial condition including the repayment of amounts owed under our line of credit."

Mr. Binder concluded, "We are confident that we can build on our strong start to 2018. Our backlog is still strong and we expect to commence shipments of the CAATS units in the third quarter, which we expect will increase revenue levels in the second half of 2018 albeit at a lower gross margin. However, as previously stated, CAATS shipments will not require any increase to selling, general and administrative costs and therefore, we expect this to have a very positive impact on profitability during the delivery period. These CAATS shipments, along with continued solid operating performance from our OEG, position us well for continued improved operating performance in 2018."

The Company also announced that its 2018 Annual Meeting of Stockholders will be held at its corporate office located at 80 Cabot Court, Hauppauge, NY at 10:00 a.m. on June 21, 2018. The official notice of meeting, proxy statement, proxy voting card and 2017 Annual Report will be available on its website, www.orbitintl.com under “Investor Relations.”

Orbit International Corp., through its Electronics Group, is involved in the development and manufacture of custom electronic device and subsystem solutions for military and nonmilitary government applications through its production facility in Hauppauge, New York. Orbit’s Power Group, also located in Hauppauge, NY, designs and manufactures a wide array of power products including AC power supplies, frequency converters, inverters, uninterruptible power supplies, VME/VPX power supplies as well as various COTS power sources. The Company has a sales office in Newbury Park, CA and a facility in Louisville, KY dedicated to the design and manufacture of gun weapons systems.

Certain matters discussed in this news release and oral statements made from time to time by representatives of the Company including, statements regarding our expectations of Orbit’s operating plans, deliveries under contracts and strategies generally; statements regarding our expectations of the performance of our business; expectations regarding costs and revenues, future operating results, additional orders, future business opportunities and continued growth, may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and the Federal securities laws. Although Orbit believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be achieved.

Forward-looking information is subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those projected. Many of these factors are beyond Orbit International's ability to control or predict. Important factors that may cause actual results to differ materially and that could impact Orbit International and the statements contained in this news release can be found in Orbit's reports posted with the OTC Disclosure and News service. For forward-looking statements in this news release, Orbit claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Orbit assumes no obligation to update or supplement any forward-looking statements whether as a result of new information, future events or otherwise.

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(See Accompanying Tables)

Orbit International Corp.
Consolidated Statements of Operations
(in thousands, except per share data)

	Three Months Ended March 31, (unaudited)	
	2018	**2017**
Net sales	$ 5,349	$ 5,207
Cost of sales	3,197	3,193
Gross profit	2,152	2,014
Selling general and administrative expenses	1,717	1,671
Investment and other (income) expense	2	19
Income before income taxes	433	324
Income taxes	12	11
Net income	$ 421	$ 313
Basic income per share	$ 0.12	$ 0.08
Diluted income per share	$ 0.12	$ 0.08
Weighted average number of shares outstanding**:**		
Basic	3,594	4,053
Diluted	3,602	4,059

Orbit International Corp.
Consolidated Statements of Operations
(in thousands, except per share data)
(unaudited)

	Three Months Ended March 31, 2018	Three Months Ended March 31, 2017
EBITDA (as adjusted) Reconciliation		
Net income	$ 421	$ 313
Income tax expense	12	11
Depreciation and amortization	24	33
Stock based compensation	9	13
EBITDA (as adjusted) (1)	$ 466	$ 370
EBITDA (as adjusted) Per Diluted Share Reconciliation		
Net income	$ 0.12	$ 0.08
Income tax expense	0.00	0.00
Depreciation and amortization	0.01	0.01
Stock based compensation	0.00	0.00
EBITDA (as adjusted) per diluted share (1)	$ 0.13	$ 0.09

(1) The EBITDA (as adjusted) tables presented are not determined in accordance with accounting principles generally accepted in the United States of America. Management uses EBITDA (as adjusted) to evaluate the operating performance of its business. It is also used, at times, by some investors, securities analysts and others to evaluate companies and make informed business decisions. EBITDA (as adjusted) is also a useful indicator of the income generated to service debt. EBITDA (as adjusted) is not a complete measure of an entity's profitability because it does not include costs and expenses for interest, depreciation and amortization, income taxes and stock based compensation. EBITDA (as adjusted) as presented herein may not be comparable to similarly named measures reported by other companies.

Reconciliation of EBITDA, as adjusted, to cash flows provided by operating activities (1)	Three Months Ended March 31, 2018	Three Months Ended March 31, 2017
EBITDA (as adjusted)	$ 466	$ 370
Cumulative effect of adoption of ASC 606	330	-
Income tax expense	(12)	(11)
Bond amortization	-	1
Loss on sale of marketable securities	6	22
Net change in operating assets and liabilities	(1,531)	200
Cash flows (used in) provided by operating activities	$ (741)	$ 582

Orbit International Corp.
Consolidated Balance Sheets

	March 31, 2018 (unaudited)	December 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	$ 858,000	$ 941,000
Investments in marketable securities	-	301,000
Accounts receivable, less allowance for doubtful accounts	2,538,000	3,248,000
Contract asset	1,776,000	-
Inventories	9,557,000	10,080,000
Income tax receivable	8,000	15,000
Other current assets	1,207,000	131,000
Total current assets	15,944,000	14,716,000
Property and equipment, net	296,000	183,000
Goodwill	868,000	868,000
Deferred tax asset	550,000	550,000
Current assets	33,000	33,000
Total assets	$ 17,691,000	$ 16,350,000
LIABILITIES AND STOCKHOLDERS' EOUITY		
Current liabilities:		
Accounts payable	673,000	524,000
Accrued expenses	926,000	1,014,000
Customer advances	89,000	69,000
Total current liabilities	1,688,000	1,607,000
Line of credit	500,000	-
Total liabilities	2,188,000	1,607,000
Stockholders' Equity		
Common stock	458,000	458,000
Additional paid-in capital	20,942,000	20,932,000
Treasury stock	(3,419,000)	(3,419,000)
Accumulated other comprehensive income	-	1,000
Accumulated deficit	(2,478,000)	(3,229,000)
Stockholders' equity	15,503,000	14,743,000
Total liabilities and stockholders' equity	$ 17,691,000	$ 16,350,000