



News Release

For Immediate Release:

COMMUNICATIONS & POWER INDUSTRIES AWARDED €8.7 MILLION TO SUPPORT NEW GENERATION OF METEOROLOGICAL SATELLITES

PALO ALTO, Calif. – November 17, 2016 – The Communications & Medical Products Division of Communications & Power Industries (CPI) has been awarded an €8.7 million, or approximately \$9.5 million, contract by Airbus Defence and Space to support a new generation of satellites that is expected to provide global advanced meteorological data from 2021 until after 2040. The Meteorological Operational Satellite – Second Generation (MetOp-SG) program is a collaboration between the European Space Agency (ESA) and the European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT) and consists of two series of satellites carrying complementary instruments.

Under the contract, CPI will develop several engineering and flight models of 5.355 gigahertz Extended Interaction Klystrons (EIKs). CPI's EIKs are vital to the Scatterometer (SCA) radar instrument, creating the high-power microwaves required for the instrument to measure surface winds over the ocean. This information is expected to play an important role in numerical weather prediction, climate monitoring and the tracking of extreme weather events. In addition, the Scatterometer will provide data on soil moisture, snow cover, sea ice and other valuable environmental measures.

Work on this program will take place at CPI's facilities in Georgetown, Ontario, Canada. CPI will deliver flight models beginning in 2019.

CPI's EIKs are the technology of choice for meteorological satellite missions. CPI's EIKs have previously been chosen to support space-based radar systems on the Surface Water & Ocean Topography joint mission between NASA and the French Space Agency (CNES); the EarthCARE joint mission between European and Japanese space agencies; and NASA's CloudSat Earth Observation satellite, which recently celebrated its tenth year of operation, far exceeding its mission goals. CPI received funding from the Canadian Space Agency (CSA) for its work on the SWOT and CloudSat programs.

About Communications & Power Industries

CPI (consisting of Communications & Power Industries LLC and Communications & Power Industries Canada Inc. and their subsidiaries), headquartered in Palo Alto, California, is a subsidiary of CPI International Holding Corp. and CPI International, Inc. CPI develops, manufactures and globally distributes components and subsystems used in the generation, amplification, transmission and reception of microwave signals for a wide variety of systems including radar, electronic warfare and communications (satellite and point-to-point) systems for military and commercial applications, specialty products for medical diagnostic imaging and the treatment of cancer, as well as microwave and RF energy generating products for various industrial and scientific pursuits. www.cpii.com

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Certain statements included above constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements provide our current expectations, beliefs or forecasts of future events. These statements are not guarantees of future performance. Forward-looking statements are subject to known and unknown risks and uncertainties, which could cause actual events or results to differ materially from the results projected, expected or implied by these forward-looking statements. These factors include, but are not limited to, competition in our end markets; our significant amount of debt; changes or reductions in the U.S. defense budget; currency fluctuations; goodwill impairment considerations; customer cancellations of sales contracts; U.S. Government contracts; export restrictions and other laws and regulations; international laws; changes in technology; the impact of unexpected costs; the impact of a general slowdown in the global economy; the impact of environmental laws and regulations; inability to obtain raw materials and components; and the impact of unexpected results of, or issues in connection with, dispositions and acquisitions. These and other risks are described in more detail in our periodic filings with the Securities and Exchange Commission. All future written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect us. We undertake no duty or obligation to (i) publicly revise any forward-looking statement to reflect circumstances or events occurring after the date hereof, (ii) to reflect the occurrence of unanticipated events or changes in our expectations or (iii) to publicly correct or update any forward-looking statement if CPI becomes aware that such statement is not likely to be achieved.

The views expressed herein do not reflect the official opinion of the European Space Agency.

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