



News Release

For Immediate Release:

CPI INTERNATIONAL, INC. ANNOUNCES CASH TENDER OFFER AND CONSENT SOLICITATION FOR ANY AND ALL OF ITS 8.75% SENIOR NOTES DUE 2018

PALO ALTO, Calif. - March 2, 2017 – CPI International, Inc. (CPI) announced today that it is commencing a cash tender offer for any and all of the \$215 million aggregate outstanding principal amount of its 8.75% senior notes due 2018 (CUSIP No. 12618MAC4) (the Notes) and a related consent solicitation to effect certain amendments and waivers to the indenture governing the Notes. CPI is conducting the tender offer and consent solicitation in connection with its refinancing of the Notes. The tender offer and consent solicitation are being made solely by, and on the terms and subject to the conditions set forth in, the Offer to Purchase and Consent Solicitation Statement dated March 2, 2017 (the Offer to Purchase).

The tender offer is scheduled to expire at 11:59 p.m., New York City time, on March 29, 2017, unless extended or earlier terminated by CPI (the Expiration Date). The consent solicitation is scheduled to expire at 5:00 p.m., New York City time, on March 15, 2017, unless extended or earlier terminated by CPI (the Consent Payment Deadline).

The Total Consideration is equal to \$1,012.50 for each \$1,000 principal amount of Notes tendered plus accrued and unpaid interest to, but not including, the applicable settlement date from February 15, 2017, the most recent interest payment date preceding the applicable settlement date. The Total Consideration includes a Consent Payment of \$12.50 for each \$1,000 principal amount of Notes tendered. The Total Consideration minus the Consent Payment is referred to as the “Tender Offer Consideration.”

The Total Consideration will be payable only in respect of Notes validly tendered and consents validly delivered at or prior to the Consent Payment Deadline (and, in each case, not validly withdrawn or revoked at or prior to the Withdrawal Deadline (as defined below)) that are accepted for purchase and payment on the terms and subject to the conditions set forth in the Offer to Purchase. The Withdrawal Deadline is 5:00 p.m., New York City time, on March 15, 2017, unless extended by CPI.

Holders who tender Notes after the Consent Payment Deadline and at or prior to the Expiration Date will not be eligible to receive the Consent Payment. Such holders will only be eligible to receive the Tender Offer Consideration in respect of Notes validly tendered at or prior to the Expiration Date that are accepted for purchase on the terms and subject to the conditions set forth in the Offer to Purchase.

Notes tendered at or prior to the Consent Payment Deadline may be validly withdrawn and the related consents may be validly revoked at any time at or prior to the Withdrawal Deadline. Holders may not withdraw tendered Notes or revoke the related consents after the Withdrawal Deadline except in certain limited circumstances.

Holders who validly tender their Notes will be deemed to have validly delivered their consents by such tender. Holders may not deliver consents without also tendering Notes. A holder may not revoke a consent without withdrawing the previously tendered Notes to which such consent relates, and any withdrawal of previously tendered Notes will revoke the related consents. If the proposed amendments and waivers become operative with respect to the Notes, then all Notes will be subject to the proposed amendments and waivers.

CPI's obligation to accept for payment and to pay for Notes and consents in the tender offer and consent solicitation are subject to (i) receipt of consents and tenders from holders of a majority in aggregate principal amount of the outstanding Notes and execution of the supplemental indenture effecting the proposed amendments (the Documentation Condition) (provided that if consents and tenders from a majority in aggregate principal amount of the outstanding Notes are not received, CPI expects to waive the Documentation Condition), (ii) CPI having received the proceeds of CPI's proposed financing for the tender offer and consent solicitation on terms reasonably satisfactory to CPI resulting in net proceeds to CPI that are sufficient to pay the Total Consideration, plus accrued interest, in respect of all the outstanding Notes and the related fees and expenses for the tender offer and consent solicitation (the Financing Condition), and (iii) other customary conditions set forth in the Offer to Purchase. If any of the conditions to the tender offer and consent solicitation is not satisfied or waived by CPI, CPI is not obligated to accept for purchase or payment, purchase or pay for, and may delay the acceptance for payment of, any tendered notes or delivered consents and may terminate the tender offer and consent solicitation. CPI also reserves the right to extend any or all of the Consent Payment Deadline, the Withdrawal Deadline and the Expiration Date or to otherwise withdraw and not complete the tender offer and consent solicitation.

CPI intends to call for redemption any and all Notes not tendered in the tender offer and consent solicitation at a redemption price equal to 101% of the principal amount, plus accrued and unpaid interest to the redemption date, and, at the time CPI calls such Notes for redemption, CPI intends to effect the satisfaction and discharge of the indenture governing the Notes. This press release does not constitute a

notice of redemption. Any redemption would be made solely pursuant to a notice of redemption delivered pursuant to the indenture governing the notes, and the information in this press release is qualified in its entirety by such notice.

UBS Securities LLC is serving as the Dealer Manager and Solicitation Agent, and Global Bondholder Services Corporation is serving as the Depositary and Information Agent, in connection with the tender offer and consent solicitation. Requests for documents should be directed to Global Bondholder Services Corporation, toll-free at (866)-470-4500. Questions regarding the tender offer and consent solicitation should be directed to UBS Securities LLC, toll-free at (888) 719-4210 or (203) 719-4210.

None of CPI, the Dealer Manager and Solicitation Agent, the Depositary and Information Agent, the trustee for the Notes nor any of their respective subsidiaries or affiliates, makes any recommendation in connection with the tender offer and the consent solicitation. Holders must make their own decisions as to whether to deliver consents and to tender Notes, and, if so, the principal amount of Notes to tender. This announcement is not an offer to purchase, a solicitation of an offer to purchase or a solicitation of consents with respect to any securities. The tender offer and consent solicitation are being made solely by the Offer to Purchase. The tender offer and consent solicitation are not being made to or with respect to (nor will the surrender of notes for purchase be accepted from or on behalf of) holders of Notes in any jurisdiction in which the making or acceptance of the tender offer or the consent solicitation would not be in compliance with the laws of such jurisdiction.

About CPI International, Inc.

CPI International, Inc., headquartered in Palo Alto, California, is the parent company of Communications & Power Industries LLC and Communications & Power Industries Canada Inc. Together, Communications & Power Industries LLC and Communications & Power Industries Canada Inc. develop, manufacture and globally distribute 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.

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Certain statements included above constitute "forward-looking statements." Forward-looking statements provide our current expectations, beliefs or forecasts of future events and include statements concerning our objectives, strategies and intentions, including our intention to complete our proposed refinancing and the tender offer and consent solicitation; the satisfaction or waiver of the Documentation Condition, the Financing Condition and the other conditions of the tender offer and consent solicitation; our intended redemption of the untendered Notes; and any satisfaction and discharge of the indenture governing the Notes. 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 or zoning laws and regulations; and inability to obtain raw materials and components. These and other risks are described in more detail in our periodic filings with the Securities and Exchange Commission. As a result of these uncertainties, you should not place undue reliance on these forward-looking statements. 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 publicly revise any forward-looking statement to reflect circumstances or events occurring after the date hereof or to reflect the occurrence of unanticipated events or changes in our expectations.

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