



News Release

For Immediate Release:

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

PALO ALTO, Calif. - March 17, 2017 – CPI International, Inc. (CPI) announced today the early settlement of its previously announced tender offer and consent solicitation (the Tender Offer) for its 8.75% senior notes due 2018 (CUSIP No. 12618MAC4) (the Notes), which commenced on March 2, 2017, and is described in the Offer to Purchase and Consent Solicitation Statement dated March 2, 2017 (the Offer to Purchase).

As previously announced, as of 5:00 p.m., New York City time, on March 15, 2017 (the Consent Payment Deadline), holders of \$156,375,000 aggregate principal amount of the Notes, which represents 72.73% of the \$215 million aggregate outstanding principal amount of Notes, had validly tendered and delivered (and not validly withdrawn or revoked at or prior to the Withdrawal Deadline, as defined below) such Notes and the related consents pursuant to the Offer to Purchase (the Early Tender Notes). The withdrawal deadline also expired at 5:00 p.m., New York City time, on March 15, 2017 (the Withdrawal Deadline). CPI exercised its right to accept for purchase and payment, and to purchase and pay for, the Early Tender Notes. CPI paid the Total Consideration (as defined below) in respect of the Early Tender Notes on March 17, 2017.

The Total Consideration equaled \$1,012.50 for each \$1,000 principal amount of Early Tender Notes plus accrued and unpaid interest to, but not including, the settlement date from February 15, 2017, the most recent interest payment date preceding the settlement date. The Total Consideration included a Consent Payment of \$12.50 for each \$1,000 principal amount of Early Tender Notes.

The Tender Offer is scheduled to expire at 11:59 p.m., New York City time, on March 29, 2017, unless extended by CPI (the Expiration Date). Holders who tender Notes after the Consent Payment Deadline and at or prior to the Expiration Date will be eligible to receive only the Tender Consideration of \$1,000.00 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. Holders may not withdraw tendered Notes except in certain limited circumstances.

CPI also announced today that it has effected the discharge of the indenture governing the Notes (the Discharge) and has called for redemption all of the Notes (other than the Early Tender Notes) at a redemption price equal to 101% of the principal amount, plus accrued and unpaid interest to the redemption date. The redemption date will be March 30, 2017. Holders may still participate in the Tender Offer and tender their Notes at or prior to the Expiration Date even though CPI has elected to call the remaining outstanding Notes for redemption and effect the Discharge.

CPI financed the purchase of the Early Tender Notes and the Discharge with incremental first lien term loans in an aggregate principal amount of \$127.7 million incurred under its existing first lien credit facility and second lien term loans in an aggregate principal amount of \$100.0 million incurred under a new second lien credit facility, in each case provided by a syndicate of lenders arranged by UBS Securities LLC. In connection with such financing transactions, CPI's first lien credit facility was amended and its existing second lien credit facility was repaid in full.

Upon the purchase of the Early Tender Notes, the proposed amendments and waivers to the indenture governing the Notes consented to by holders of the Notes in the consent solicitation, and the related supplemental indenture effecting such proposed amendments and waivers, become operative.

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. Requests for documents should be directed to Global Bondholder Services Corporation, toll-free at (866)-470-4500. Questions regarding the Tender Offer 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 nor the trustee for the Notes, nor any of their respective subsidiaries or affiliates, makes any recommendation in connection with the Tender Offer. 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 press release does not constitute a notice of redemption. The redemption is being 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.

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 is being made solely by the Offer to Purchase. The Tender Offer is 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 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. 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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