

1Q 2017 Results Presentation

May 9, 2017



A Premier Supplier of Aircraft Structures and Systems



NYSE MKT: CVU

Speakers:

Douglas McCrosson, President & Chief Executive Officer
Vincent Palazzolo, Chief Financial Officer

Forward-Looking Statements

This presentation contains forward-looking statements that involve risks and uncertainties. All statements, other than statements of historical fact, included in this presentation, including without limitation, statements regarding projections, future financing needs, and statements regarding future plans and objectives of the Company, are forward-looking statements. Words such as "believes," "expects," "anticipates," "intends," "plans," "estimates" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon the current expectations of management and certain assumptions that are subject to risks and uncertainties. Accordingly, there can be no assurance that such risks and uncertainties will not affect the accuracy of the forward-looking statements contained herein or that our actual results will not differ materially from the results anticipated in such forward-looking statements. Such factors include, but are not limited to, the following: the cyclical nature of the aerospace market, the level of U.S. defense spending, production rates for commercial and military aircraft programs, competitive pricing pressures, start-up costs for new programs, technology and product development risks and uncertainties, product performance, increasing consolidation of customers and suppliers in the aerospace industry and costs resulting from changes to and compliance with applicable regulatory requirements. The information contained in this presentation is qualified in its entirety by cautionary statements and risk factors disclosed in the Company's Securities and Exchange Commission filings, including its Annual Report on Form 10-K filed on March 8, 2017, available at <http://www.sec.gov>.

We caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date hereof and for which the Company assumes no obligation to update or revise the forward-looking statements herein.

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Recent Highlights



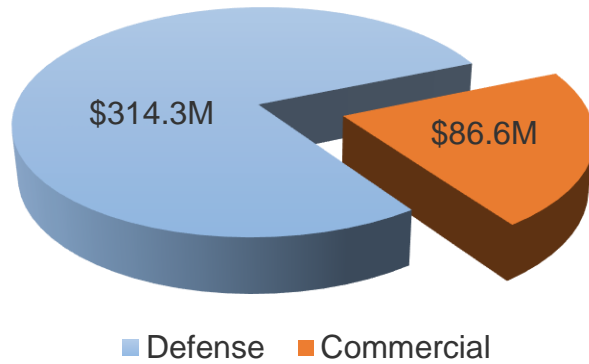
Douglas McCrosson

President & Chief Executive Officer

Consolidated Backlog at 03/31/2017: \$400.8 Million

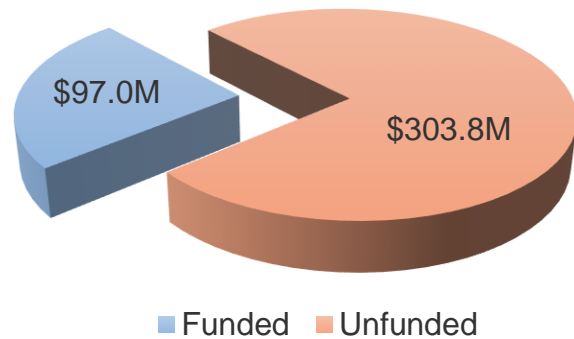
Defense Backlog at \$314 Million

Defense 78% / Commercial 22%



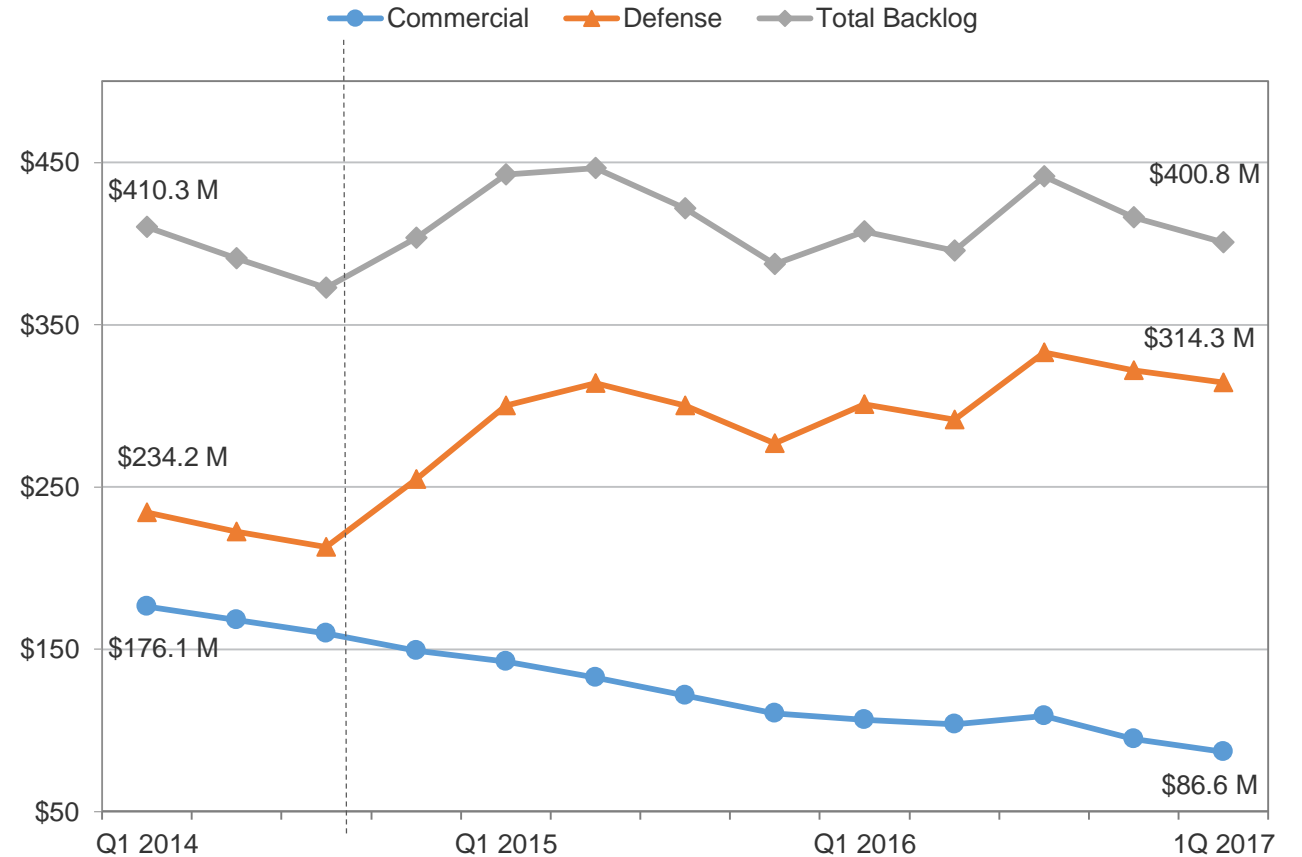
Funded 24% / Unfunded 76%

Unfunded backlog represents remaining potential value of long term agreements



1Q 2014 - 1Q 2017









Backlog (Defense/Commercial)



Driven By Renewed Strength in Defense Business

Recent wins account for \$251 million in backlog as of March 31, 2017

Offers revenue visibility into 2022 and beyond

<p>E-2D Advanced Hawkeye/C-2A Greyhound</p> <p>\$86.1M</p>  <p><u>Announced</u> November 2014</p> <p><u>Contract Period</u> 2013 – 2021</p>	<p>F-16 Falcon</p> <p>\$53.5M</p>  <p><u>Announced</u> November 2014</p> <p><u>Contract Period</u> 2014 – 2020</p>	<p>T-38C Talon Trainer</p> <p>\$49M</p>  <p><u>Announced</u> February 2015</p> <p><u>Contract Period</u> 2015 – 2021</p>	<p>F-35A</p> <p>\$10.6M</p>  <p><u>Announced</u> July 2015</p> <p><u>Contract Period</u> 2015 – 2021</p>	<p>Japan E-2D Hawkeye</p> <p>\$25-30M</p>  <p><u>Announced</u> January 2016</p> <p><u>Contract Period</u> 2016 – 2019</p>	<p>Raytheon Next Generation Jammer Pod</p> <p>\$50+M</p>  <p><u>Announced</u> July/Sept 2016</p> <p><u>Contract Period</u> 2016 – 2022+</p>	<p>Sikorsky CH-148 Cyclone</p> <p>\$6.5M</p>  <p><u>Announced</u> October 2016</p> <p><u>Contract Period</u> 2016 – 2018</p>	<p>Bell Helicopter/ Textron AH-1Z Viper</p> <p>\$14.8M</p>  <p><u>Announced</u> January 2017</p> <p><u>Contract Period</u> 2017 – 2020</p>
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Financial Highlights



Vincent Palazzolo

Chief Financial Officer



Recent Financial Highlights

	For the 3 months Ended March 31,	
	2017	2016
	(Unaudited)	(Unaudited)
Revenue	\$20.0	\$12.7
Cost of sales	<u>15.5</u>	<u>24.3</u>
Gross profit (loss)	4.5	(11.6)
Selling, general and administrative expenses	<u>2.2</u>	<u>2.7</u>
Income (loss) from operations	2.4	(14.4)
Income (loss) before provision for (benefit from) income taxes	2.0	(14.6)
Net income (loss)	1.2	(9.2)
Income (loss) per common share – basic	\$0.14	\$(1.07)
Income (loss) per common share – diluted	<u>\$0.14</u>	<u>\$(1.07)</u>

(\$ in Millions, except per share value)

As of March 31, 2017	
CEE (unbilled receivables)	101.9
Total Debt	35.0
Shareholders' Equity	69.3
Book Value, per diluted share	7.86
Debt-to-Capital	0.51

Liquidity
<ul style="list-style-type: none"> • \$40M, 3-year senior debt facility <ul style="list-style-type: none"> – \$10M term loan – \$30M revolving line-of-credit • Approximately \$5.0 million still available under credit facility as of March 31, 2017

Revenue

- **\$82.5M – \$87.0M**
 - Award of certain defense programs offer possibility for upside

Pre-tax Income

- **\$8.1M - \$8.5M**
 - Anticipated to be at high end of range

Effective Tax Rate

- **Approximately 37%**

Looking Ahead

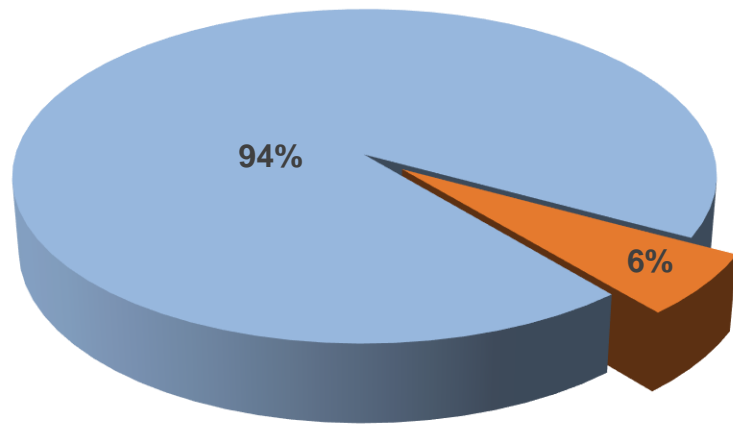


Douglas McCrosson

President & Chief Executive Officer

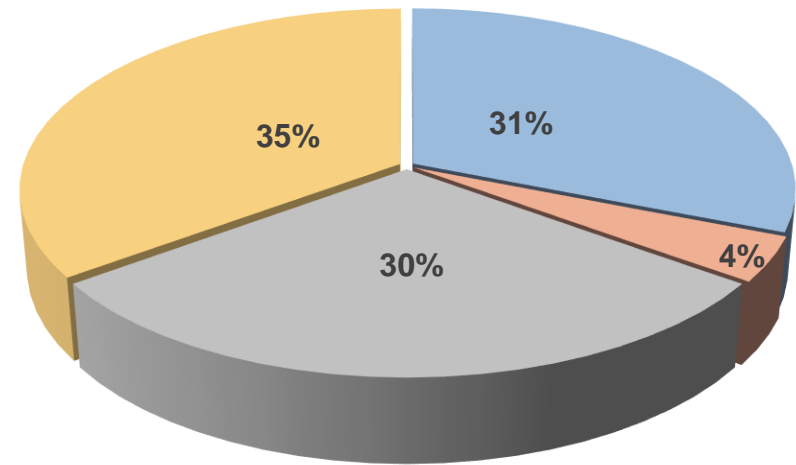
Virtually all bids are at the Prime Contractor or Tier 1 level

Defense opportunities are increasing



■ Defense ■ Commercial

Continued Diversification Across Product Categories



■ Kitting ■ MRO ■ Aerostructures ■ Aerosystems

Aerostructures

- Military Helos: CH-53K, V-280
- Various regional airliner and bizjet aircraft
- A-10 thick skin urgent spares kitting (TUSK)
- F-35
- MRO: F-16 service-life extension program (SLEP)
- Various Black Hawk components/structural repairs

Aerosystems

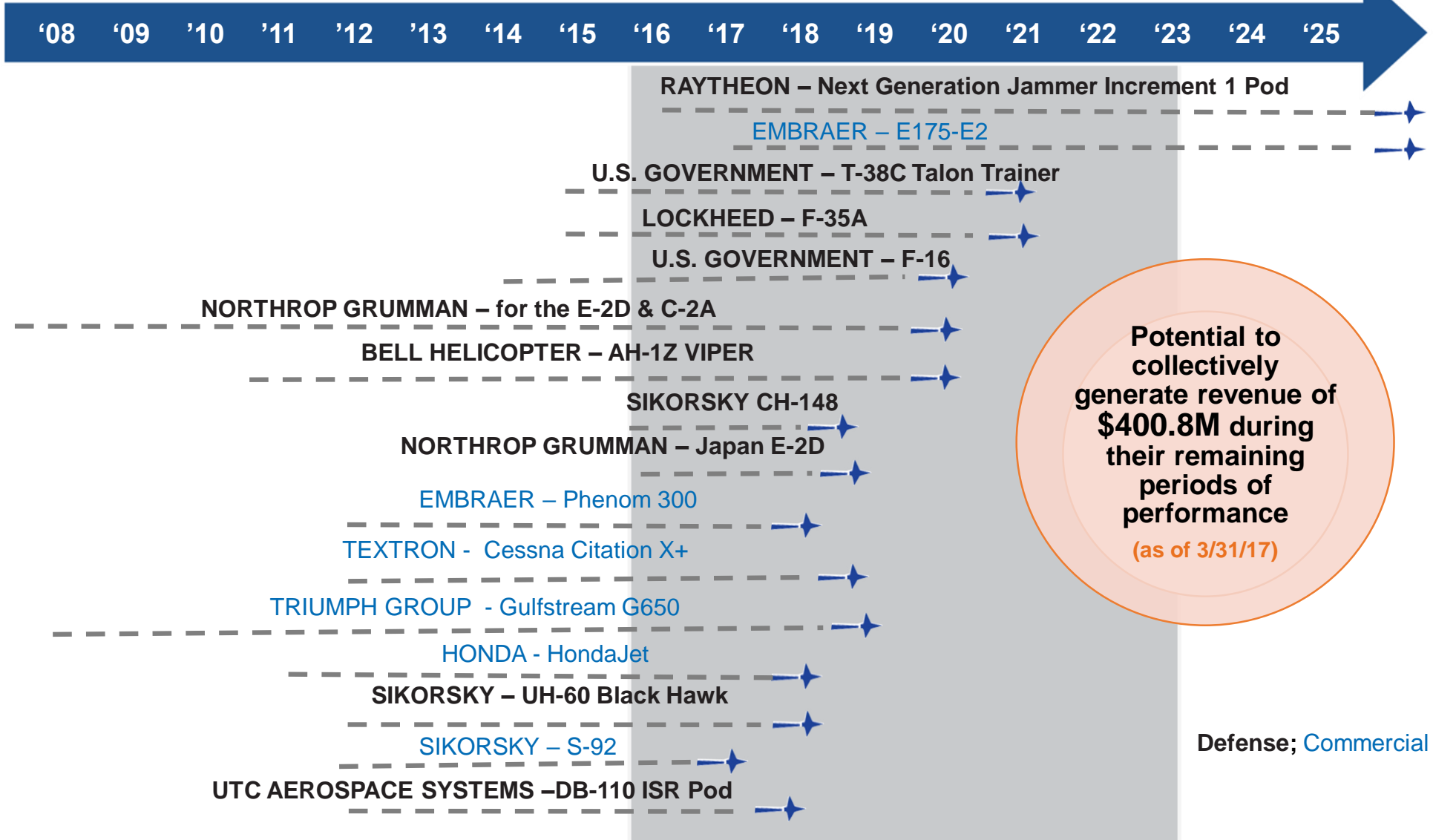
- Reconnaissance Pods
- Electronic Warfare Pods
- Advanced antenna system structural housing
- Missile launchers

Supply Chain Management/Kitting

- Various regional commercial aircraft (Tier 1 opportunity)
- S-92 (commercial)
- Foreign sales of F-16 wing components
- Wet Outer Wing Panel kits for Japanese E-2D

Long-Term Visibility - Contracts

Firm, Funded Contracts Provide Long-Term Revenue Visibility and Operating Leverage



Q&A Session



CPI Aerostructures

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