



Sypris Sells Test & Measurement Business to Tektronix

October 26, 2009

Proceeds to Support Growth of Aerospace & Defense Segment

LOUISVILLE, Ky.--(BUSINESS WIRE)--Oct. 26, 2009-- Sypris Solutions, Inc. (Nasdaq/NM: SYPR) today announced that it has completed the sale of its Test & Measurement business to Tektronix.

HIGHLIGHTS

- Sale of Sypris Test & Measurement, Inc. completed for \$39.0 million of cash on October 26, 2009.
- Proceeds to be used by Sypris Solutions to support growth of its Aerospace & Defense segment and the retirement debt, among other uses.

Commenting on the announcement, Jeffrey T. Gill, president and chief executive officer of Sypris Solutions, said, "The completion of this transaction with Tektronix marks an important milestone for Sypris Solutions. The proceeds from the deal will enable us to support the many growth opportunities in our Aerospace and Defense segment, including those related to global key management, secure communications, identity authentication and cyber warfare. The transaction will strengthen our balance sheet and focus our future investments in two highly scalable platforms represented by our Industrial and Aerospace and Defense segments."

Gill continued, "We believe that the combination of our Test & Measurement business with Tektronix will result in exciting growth opportunities for our employees and customers. The strategic fit is compelling and the business should benefit from the increased scale and resources that Tektronix has to offer. As a result, the transaction is expected to be a positive event for all stakeholders."

The Test & Measurement business of Sypris Solutions is a leading provider of [calibration services](#), [testing and component sourcing services](#), and specialty products. The company serves customers in a variety of markets, including military, aerospace, avionics, telecommunications, automotive, semiconductor, medical and more. Needham & Company, LLC acted as exclusive financial advisor to Sypris Solutions, Inc. in this transaction.

Sypris Solutions is a diversified provider of technology-based outsourced services and specialty products. The Company performs a wide range of manufacturing and technical services, typically under multi-year, sole-source contracts with major corporations and government agencies in the markets for aerospace and defense electronics, truck components and assemblies, and test and measurement services. For more information about Sypris Solutions, visit its Web site at www.sypris.com.

Each "forward-looking statement" herein is subject to serious risks and should not be relied upon, as detailed in our most recent Form 10-K and Form 10-Q and subsequent SEC filings. Briefly, we currently believe that such risks also include: the effects of a continuing economic downturn which could reduce our revenues, negatively impact our customers or suppliers and materially, adversely affect our financial results; our ability to liquidate our equity interests in Dana Holding Corporation at satisfactory valuation levels; potential impairments, non-recoverability or write-offs of goodwill, assets or deferred costs, including deferred tax assets in the U.S. or Mexico; fees, costs or other dilutive effects of refinancing, compliance with covenants in, or acceleration of, our loan and other debt agreements; unexpected or increased costs, time delays and inefficiencies of restructuring our manufacturing capacity; breakdowns, relocations or major repairs of machinery and equipment; our inability to successfully launch new or next generation programs; the cost, efficiency and yield of our operations and capital investments, including working capital, production schedules, cycle times, scrap rates, injuries, wages, overtime costs, freight or expediting costs; cost and availability of raw materials such as steel, component parts, natural gas or utilities; volatility of our customers' forecasts, financial conditions, market shares, product requirements or scheduling demands; adverse impacts of new technologies or other competitive pressures which increase our costs or erode our margins; failure to adequately insure or to identify environmental or other insurable risks; inventory valuation risks including obsolescence, shrinkage, theft, overstocking or underbilling; changes in government or other customer programs; reliance on major customers or suppliers, especially in the automotive or aerospace and defense electronics sectors; revised contract prices or estimates of major contract costs; dependence on, recruitment or retention of key employees; union negotiations; pension valuation, health care or other benefit costs; labor relations; strikes; risks of foreign operations; currency exchange rates; the costs and supply of debt, equity capital, or insurance (including the possibility that our common stock could cease to qualify for listing on the NASDAQ Stock Market due to a sustained decline in prices per share, or other regulatory compliance including, shareholder approval requirements, or that any reverse stock split or other restructuring of our debt or equity financing could be accompanied by the deregistration of our common stock or other "going private" transactions); changes in licenses, security clearances, or other legal rights to operate, manage our work force or import and export as needed; weaknesses in internal controls; the costs of compliance with our auditing, regulatory or contractual obligations; regulatory actions or sanctions; disputes or litigation, involving customer, supplier, lessor, landlord, creditor, stockholder, product liability or environmental claims; war, terrorism or political uncertainty; unanticipated or uninsured disasters, losses or business risks; inaccurate data about markets, customers or business conditions; or unknown risks and uncertainties.

Source: Sypris Solutions, Inc.

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