



Sypris Awarded Contract Extension With Major Customer

February 1, 2021

Use of Patented Sypris Ultra® Design; Expands Business Relationship

LOUISVILLE, Ky.--(BUSINESS WIRE)--Feb. 1, 2021-- Sypris Technologies, Inc. (Sypris), a subsidiary of Sypris Solutions, Inc. (Nasdaq/GM: SYPR), announced today that it has entered into an agreement to extend its long-term contract with a leading commercial vehicle manufacturer (OEM). The new contract continues our existing product lines and includes the award of two additional axle shaft model lines to be produced by Sypris beginning in 2021 and the use of certain Sypris Ultra® series axle shaft design features on an existing model line supplied by Sypris for the OEM.

The patented Sypris Ultra® series lightweight axle shaft reduces the weight of the drive axle assemblies by an estimated 16 pounds for the typical Class 8 commercial vehicle. This important weight savings is believed to contribute to shorter braking distances and greater fuel efficiency for the fleet owner. It is also believed that by reducing the weight of these shafts, more horsepower may be transferred to the pavement, thereby further enhancing the performance of the vehicle.

Commenting on the announcement, Paul Larochelle, Vice President and General Manager, stated, "We are pleased to expand and extend our strategic relationship with the OEM and its family of companies. It is a global leader in the commercial vehicle industry and we are proud that certain of the patented Sypris Ultra® series design features will provide it with important competitive and performance advantages in the marketplace for years to come."

Sypris Technologies is a premier manufacturer and supplier of drivetrain and other critical components for the commercial vehicle, automotive, recreational vehicle, mining, agriculture and energy markets. Sypris is headquartered in Louisville, Kentucky with facilities located throughout North America.

This press release contains "forward-looking" statements within the meaning of the federal securities laws. Forward-looking statements include our plans and expectations of future financial and operational performance. Such statements may relate to projections of the company's revenue, earnings, and other financial and operational measures, our liquidity, our ability to mitigate or manage disruptions posed by COVID-19, and the impact of COVID-19 and economic conditions on our future operations, among other matters.

Each forward-looking statement herein is subject to risks and uncertainties, as detailed in our most recent Form 10-K and Form 10-Q and other SEC filings.

Briefly, we currently believe that such risks also include the following: the impact of COVID-19 and economic conditions on our future operations; possible public policy response to the pandemic, including legislation or restrictions that may impact our operations or supply chain; our failure to achieve and maintain profitability on a timely basis by steadily increasing our revenues from profitable contracts with a diversified group of customers, which would cause us to continue to use existing cash resources or other assets to fund operating losses; certain multi-year supply contracts with customers for specific part numbers are subject to customer demand with no minimum purchase requirements; our failure to achieve targeted gains and cash proceeds from the anticipated sale of certain equipment; the fees, costs and supply of, or access to, debt, equity capital, or other sources of liquidity; the cost, quality, timeliness, efficiency and yield of our operations and capital investments, including the impact of tariffs, product recalls or related liabilities, employee training, working capital, production schedules, cycle times, scrap rates, injuries, wages, overtime costs, freight or expediting costs; dependence on, retention or recruitment of key employees and distribution of our human capital; our inability to develop new or improved products or new markets for our products; cost, quality and availability or lead times of raw materials such as steel, component parts, natural gas or utilities; breakdowns, relocations or major repairs of machinery and equipment; our reliance on a few key customers, third party vendors and sub-suppliers; unanticipated or uninsured disasters, public health crises, losses or business risks; unanticipated or uninsured product liability claims; volatility of our customers' forecasts, scheduling demands and production levels which negatively impact our operational capacity and our effectiveness to integrate new customers or suppliers, and in turn cause increases in our inventory and working capital levels; labor relations; strikes; union negotiations; our inability to patent or otherwise protect our inventions or other intellectual property from potential competitors; adverse impacts of new technologies or other competitive pressures which increase our costs or erode our margins; changes in legal rights to operate, manage our work force or import and export as needed; risks of foreign operations; currency exchange rates; war, terrorism, or political uncertainty; inaccurate data about markets, customers or business conditions; or unknown risks and uncertainties. We undertake no obligation to update our forward-looking statements, except as may be required by law.

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Paul Larochelle
Vice President & General Manager
(502) 420-1225

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