



Sypris Wins Defense Contract Award

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Electronic Modules for Precision-Guided Anti-Ship Missile System

TAMPA, Fla.--(BUSINESS WIRE)--Feb. 24, 2021-- Sypris Electronics, LLC, a subsidiary of Sypris Solutions, Inc. (Nasdaq/GM: SYPR), announced today that it has recently received a follow-on award from a U.S. DoD prime contractor to manufacture and test electronic power supply modules for a mission-critical, long range, precision-guided anti-ship missile system. Production will begin in 2021. Terms of the agreement were not disclosed.

The program is designed to meet the needs of U.S. Navy and Air Force warfighters. The missile system employs precision routing and guidance, day or night in all weather conditions and is designed to detect and destroy specific targets within groups of ships by employing advanced technologies that reduce dependence on intelligence, surveillance and reconnaissance platforms, and GPS navigation in contested environments. The program provides range, survivability and technology that no other current system provides according to news releases.

"This is a follow-on award for a new program that is currently ramping up into production volumes," said Jim Long, Vice President & General Manager of Sypris Electronics. "Our customer is a worldwide leader in the development and delivery of advanced technologies for the commercial and military electronics markets. Our technical and operational experience in successfully scaling early life cycle products in a collaborative way with our customer were key to this win. We are excited to have this opportunity to expand our relationship with this important customer."

Sypris Electronics is a trusted provider of electronic solutions, addressing customers' needs for building complex, mission-critical electronic and electro-mechanical devices and integrated systems. Backed by 50 years of experience, Sypris' engineering and manufacturing services span our customers' product life cycle all within a culture of continuous improvement and Six Sigma/Lean thinking. Partners from multiple agencies and tier one companies in Military (DoD), Space, Medical, Undersea, and Industrial markets team with Sypris to deliver high-reliability electronics built with strict adherence to regulated requirements. For more information, please visit www.sypriselectronics.com.

Forward-Looking Statements

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 successfully complete final contract negotiations with regard to our announced contract "orders", "wins" or "awards"; our failure to achieve additional orders for existing projects; 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; 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; disputes or litigation involving governmental, supplier, customer, employee, creditor, product liability or environmental claims; 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 electronic components; breakdowns or major repairs of machinery and equipment; our reliance on a few key customers, third party vendors and sub-suppliers; inventory valuation risks including excessive or obsolescent valuations or price erosions of raw materials or component parts on hand or other potential impairments, non-recoverability or write-offs of assets or deferred costs; 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; adverse impacts of new technologies or other competitive pressures which increase our costs or erode our margins; U.S. government spending on products and services, including the timing of budgetary decisions; changes in licenses, security clearances, or other legal rights to operate, manage our work force or import and export as needed; 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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