



## **Communications & Power Industries Receives Defense Contracts Totaling up to \$14.8 Million**

PALO ALTO, Calif., May 19, 2008 /PRNewswire-FirstCall via COMTEX News Network/ -- Communications & Power Industries, Inc. (CPI), a leading provider of microwave, radio frequency, power and control solutions for critical defense, communications, medical, scientific and other applications, has received two contracts totaling up to \$14.8 million for products to support defense systems. Work on both firm-fixed-price contracts will be performed at CPI's Microwave Power Products Division in Palo Alto, Calif. CPI is a subsidiary of CPI International, Inc. (Nasdaq: CPII).

(Logo: <http://www.newscom.com/cgi-bin/prnh/20060426/CPILOGO>)

CPI has been awarded a \$12.8 million indefinite-delivery/ indefinite-quantity contract from the U.S. Navy for major repair/remanufacture and production of new traveling wave tubes to support the AN/SLQ-32 Electronic Countermeasures System. Work on the contract, which was awarded to CPI by the Crane Division of the Naval Surface Warfare Center in Crane, Ind., is expected to be completed by May 2013.

CPI has also been awarded a \$2.0 million, one-year contract for the production of klystrons to support the radar systems on the HAWK surface-to-air missile system. This is the second significant contract that CPI has received in fiscal 2008 to support this system. In December, CPI received a \$3.9 million order from a different customer for products for the HAWK missile system.

"CPI has provided traveling wave tubes for the AN/SLQ-32 Electronic Countermeasures System and klystrons for the HAWK missile system since the inception of both programs, and we are proud of our continued, long-term involvement in these important defense programs," said Bob Fickett, president and chief operating officer of CPI.

The AN/SLQ-32 Electronic Countermeasures System is the principal electronic countermeasures system on major U.S. Navy surface ships, and the traveling wave tube is an integral part of the system. The AN/SLQ-32 performs deception jamming of missile seekers and noise jamming of targeting radars, providing early warning, identification and direction finding capability for simultaneous multiple threats.

The HAWK surface-to-air missile system provides medium-range, low-to-medium-altitude air defense against several types of targets, including jet and rotary wing aircraft, unmanned aerial vehicles, cruise missiles and short-range tactical ballistic missiles. The HAWK missile system is used by several NATO countries.

About CPI International, Inc.

CPI International, Inc., headquartered in Palo Alto, California, is the parent company of Communications & Power Industries, Inc., a leading provider of microwave, radio frequency, power and control solutions for critical defense, communications, medical, scientific and other applications. Communications & Power Industries, Inc. develops, manufactures and distributes products used to generate, amplify and transmit high-power/high-frequency microwave and radio frequency signals and/or provide power and control for various applications. End-use applications of these systems include the transmission of radar signals for navigation and location; transmission of deception signals for electronic countermeasures; transmission and amplification of voice, data and video signals for broadcasting, Internet and other types of commercial and military communications; providing power and control for medical diagnostic imaging; and generating microwave energy for radiation therapy in the treatment of cancer and for various industrial and scientific applications.

Certain statements included above constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements provide our current expectations, beliefs or forecasts of future events. 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, our ability to consummate the described bank financing on reasonable terms, competition in our end markets; our significant amount of debt; changes or reductions in the U.S. defense budget; U.S. government contracts laws and regulations; changes in technology; the impact of unexpected costs; inability to obtain raw materials and components; and currency fluctuations. 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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