



## **CPI International Receives Award of Up to \$11 Million for Electronic Countermeasures System**

PALO ALTO, Calif., Sept. 20 /PRNewswire-FirstCall/ -- Communications & Power Industries, Inc., a leading provider of microwave, radio frequency, power and control solutions for critical defense, communications, medical, scientific and other applications, has received an \$11.4 million indefinite-delivery/indefinite-quantity contract award from the U.S. Navy for major repair and replacement of high-band traveling wave tubes in support of the ALQ-126B airborne defensive electronic countermeasures system. Communications & Power Industries (CPI) is a subsidiary of CPI International, Inc. (Nasdaq: CPII).

Awarded by the Crane Division of the Naval Surface Warfare Center in Crane, Ind., the contract calls for a maximum of 600 high-band traveling wave tubes and is expected to be completed by August 2011. Under the contract, CPI will provide traveling wave tubes to the U.S. Navy and the governments of South Korea and Japan to support the ALQ-126B. CPI expects to make the first shipments in conjunction with this contract award in fiscal 2007. Work on the electronic countermeasures system will be performed at CPI's facilities in Palo Alto, Calif.

"The ALQ-126B electronic countermeasures system plays a vital role in securing the safety of our military pilots, and CPI is honored to support such an important defensive system," said Bob Fickett, president and chief operating officer of CPI.

The ALQ-126B is a deceptive electronic countermeasures system designed to counter pulse-radar threats. Capable of operating with a number of radar warning receivers, it can be reprogrammed to counter changing threat priorities. In addition to several foreign military aircraft, the ALQ-126B is operational on a number of U.S. Navy aircraft, including F/A-18 and EA-6B aircraft.

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 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, 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.

SOURCE CPI International, Inc.  
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