



Communications & Power Industries Awarded \$19.7 Million to Support Phalanx Close-In Weapon System

PALO ALTO, Calif., Sept 09, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- Two divisions of Communications & Power Industries, Inc. (CPI) have been awarded sole-source, multi-year contracts by Raytheon Company (NYSE: RTN) to support the U.S. Navy's Phalanx Close-In Weapon System (CIWS). The total cumulative value of the contracts is up to \$19.7 million. CPI, a subsidiary of CPI International, Inc. (Nasdaq: CPII), is a leading provider of microwave, radio frequency, power and control solutions for critical defense, communications, medical, scientific and other applications.

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

CPI's Microwave Power Products Division has received a five-year, sole source, indefinite-delivery/indefinite-quantity contract valued at up to \$19 million to repair klystrons in support of the Phalanx CIWS. Work on this contract will be completed in Palo Alto, Calif. CPI and its predecessor company have provided more than 4,500 klystrons for the Phalanx CIWS program since the program began in 1973.

CPI's Beverly Microwave Division has received a \$0.7 million sole source, firm fixed-price contract to provide receiver protectors for the Phalanx CIWS. Work on this contract will take place in Beverly, Mass., and shipments are expected to be completed in fiscal 2010. The Beverly Microwave Division has previously provided more than 3,000 receiver protectors since the mid-1990s to support the Phalanx CIWS.

In May, Raytheon was awarded approximately \$260 million from the U.S. Navy to overhaul and upgrade 57 Phalanx CIWS and to provide ancillary equipment, spares and technical support. Phalanx is a rapid-fire, computer-controlled, radar-guided gun system that automatically acquires, tracks and destroys enemy threats that have penetrated all other ship defense systems. It is intended to provide short-range defense against enemy aircraft and anti-ship missiles. More than 890 systems have been built and deployed in the navies of 25 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, transmit and receive 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, competition in our end markets; the impact of a general slowdown in the global economy; our significant amount of debt; changes or reductions in the U.S. defense budget; currency fluctuations; U.S. government contracts laws and regulations; changes in technology; the impact of unexpected costs; and inability to obtain raw materials and components. 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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