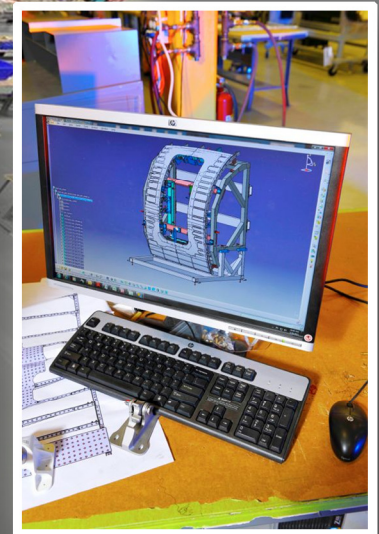
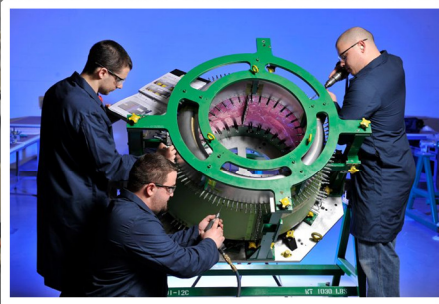
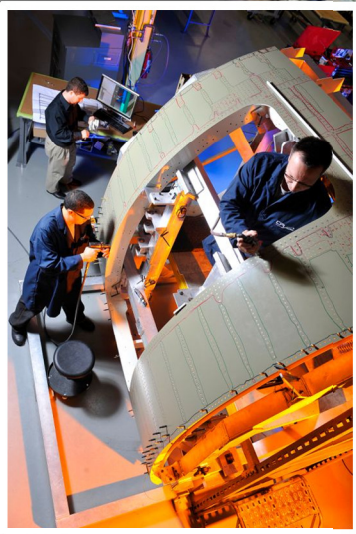


Investor Presentation

February 2016



A Premier Supplier of Aircraft Structures and Systems



Forward Looking Statements

This presentation contains forward-looking statements that involve risks and uncertainties. All statements, other than statements of historical fact, included in this presentation, including without limitation, statements regarding projections, future financing needs, and statements regarding future plans and objectives of the Company, are forward-looking statements. Words such as "believes," "expects," "anticipates," "intends," "plans," "estimates" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon the current expectations of management and certain assumptions that are subject to risks and uncertainties. Accordingly, there can be no assurance that such risks and uncertainties will not affect the accuracy of the forward-looking statements contained herein or that our actual results will not differ materially from the results anticipated in such forward-looking statements. Such factors include, but are not limited to, the following: the cyclical nature of the aerospace market, the level of U.S. defense spending, production rates for commercial and military aircraft programs, competitive pricing pressures, start-up costs for new programs, technology and product development risks and uncertainties, product performance, increasing consolidation of customers and suppliers in the aerospace industry and costs resulting from changes to and compliance with applicable regulatory requirements. The information contained in this presentation is qualified in its entirety by cautionary statements and risk factors disclosed in the Company's Securities and Exchange Commission filings, including its Annual Report on Form 10-K filed on March 6, 2015 and Forms 10-Q filed on May 8, 2015, August 7, 2015 and November 9, 2015, available at <http://www.sec.gov>.

We caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date hereof and for which the Company assumes no obligation to update or revise the forward-looking statements herein.

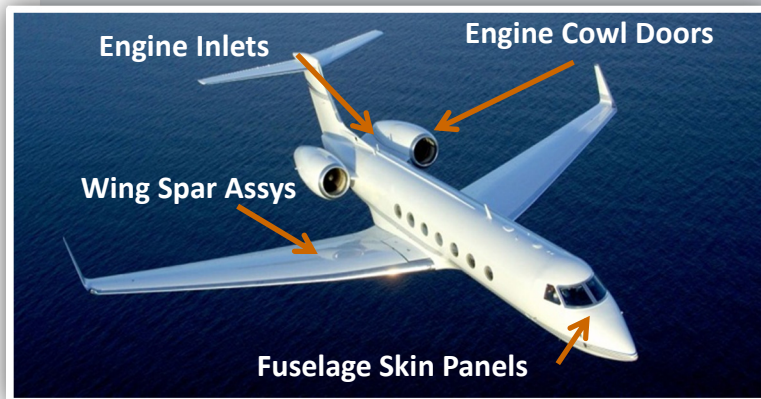
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About CPI Aero: Overview

Manufacturer of aerospace structural assemblies and integrated systems for commercial and defense markets

Aircraft structural assembly



Aerospace Systems



Value Added Services

- ✓ Program management
- ✓ Global supply chain management
- ✓ Manufacturing engineering
- ✓ Complex assembly
- ✓ System installation
- ✓ Subsystem integration and test

Kits & supply chain services



Product and Services Portfolio

Aerostructures

Wings

Triumph G650
Cessna Citation X+
HondaJet

Inlets / Nacelles

Embraer Phenom 300
HondaJet
Bell AH-1Z

MRO

H-60 Stabilators
Tow Hooks
CH-53H

Secondary Structures

Sikorsky H-60 Window Assemblies
Spirit CH-53K Step and Rack Assemblies

Kitting & SCM

Wings

NGC E-2/C-2 OWP
F-16 MRO

Primary Structures

T-38 Pacer Classic III

Secondary Structures

Sikorsky S-92 Kits

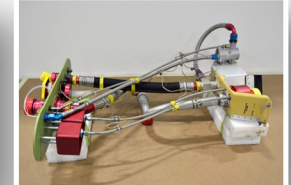
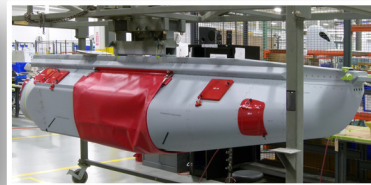
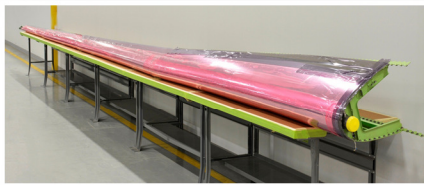
Aerosystems

Pods

UTAS DB-110
NGC ALMDS
NGC AN/ASQ-236

Special Products

Sikorsky H-60 Fuel Panels
NGC E-2D Seats
F-35 Lock Assemblies



Investment Considerations

Large and diversified backlog

\$421.7M

Up \$18M

30% Funded

At 9/30/15 vs. 12/31/14

Expects record revenue in 2015

**Over 60%
Defense**

Growing bid pipeline

80% Defense

40% Prime

Defense opportunities are increasing

Additional growth opportunities



CRH



CH-53K



ISR Pods



C-Series



Embraer E2



F-16 SLEP

In both commercial/defense

A Return To Growth

2014

- Sequestration headwinds
- DoD calls for retirement of A-10 fleet
- Company takes non-cash charge related to A-10 program
- Revenue declines 52% over 2013; EPS (\$2.98)
- Leadership change
- Initiated programs to reduce costs and improve productivity

2015

- Macro-environment shows signs of improving
- \$575B FY 16 defense bill signed
- Focus on defense opportunities paying dividends
- Strong sequential revenue growth
- Improved gross profit margins ⁽¹⁾
- Anticipates 4Q15 and 2015 to be highest revenue quarter and year in history

2016+

- Defense portfolio strong and growing as a percentage of sales
- Global defense spending on the rise, providing more opportunities for CPI's customers ⁽²⁾
- Strong and diversified backlog with no exposure to commercial airliner end market
- Margin expansion as many programs transition from development to production
- Low fixed cost structure provides operating leverage
- Narrowing the aperture on commercial aviation (business jets)

Driven By Renewed Strength in Defense Business

Recent wins added approx. \$225 million in backlog until 2022

**E-2D Advanced
Hawkeye/C-2A
Greyhound**

\$86.1M



Contract Period
2013 - 2021

F-16 Falcon

\$53.5M



Contract Period
2014 - 2022

**T-38C Talon
Trainer**

\$49M



Contract Period
2015 - 2021

F-35A

\$10.6M



Contract Period
2015 - 2021

**Japan E-2D
Hawkeye**

\$25-30M



Contract Period
2016 - 2019

Record Backlog

**Consolidated Backlog at 9/30/2015 –
\$421.7 Million**

Funded 30% / Unfunded 70%

Unfunded backlog represents
remaining potential value of long
term agreements



■ Funded

■ Unfunded

Defense 71% / Commercial 29%



■ Defense

■ Commercial

Current Market Trends Driving Opportunity

- U.S. DoD budget back in growth mode
 - U.S. fiscal and geo-political situations key drivers of defense spending¹
- After 5% growth in the approved FY16 budget, FY17 could see at least another 2%²
- Intelligence, Surveillance and Reconnaissance (ISR) top priority for USAF military commanders³
- More flying hours expected to lead to increased maintenance⁴

¹ *Global Aerospace and Defense: 2016 Oracle*, RBC Capital Markets, January 6, 2016

² *DEFCON: Budget Booming*, RBC Capital Markets, January 19, 2016

³ Comments by USAF Secretary James to AFA Warfare Symposium, February 13, 2015

⁴ *Estimating the cost of operations against ISIL*, Center for Strategic and Budgetary Assessments, September 2014.

CPI Aero's Advantages

Since inception:

- Focused on assembly and integration
- Use suppliers to manufacture 100% of components

Provides a competitive advantage over vertically integrated competitors due to:

Competence

- 35+ years of highly evolved assembly, supply chain and program management skills
- We are NOT a parts manufacturer trying to move up the value-added chain

Best Value

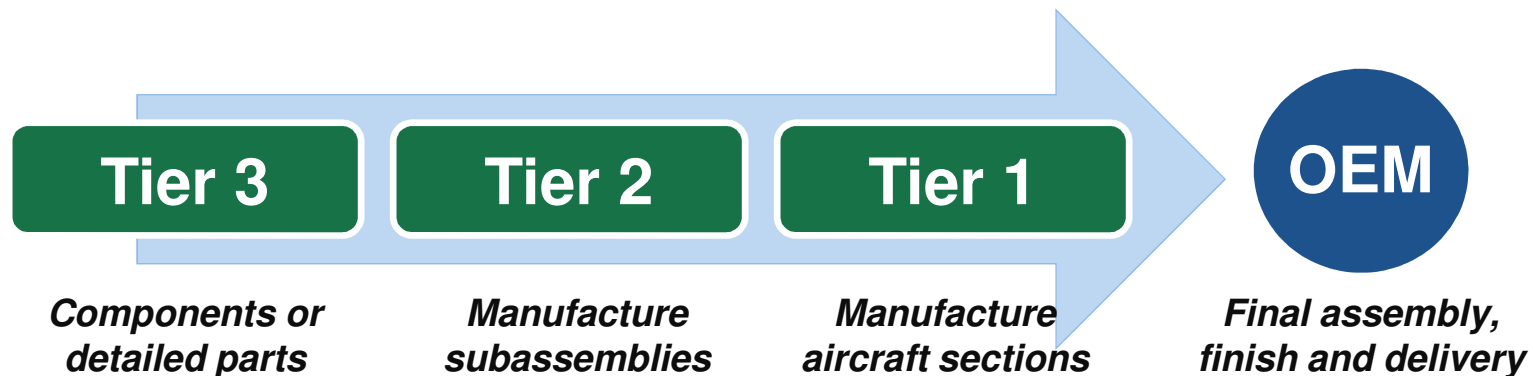
- We do not have our own production capacity to feed
- We leverage component production capacity on a global basis to find the best combination of price, quality, and delivery for each type of component (composites, sheet metal, machined parts)

Scalable

- Our capacity is only limited by people and floor space
- We can achieve superior organic growth without major investments in machinery and without the risk of future obsolescence (examples: metals vs. composites)

CPI Aero's Role Within Supply Chain

Goal: Maintain and Expand our Tier 1 Status



CPI Aero is....

Prime to:



Hill Air Force Base



Warner Robins, Georgia

Tier 1 to:



UTC Aerospace Systems



DEFINING THE FUTURE



EMBRAER



A Textron Company



Sikorsky

A United Technologies Company

Tier 2 to:



Triumph Group, Inc.

Programs (as of 1/14/16): Defense Aerospace



A-10 Program: Update

Background:

- In 2008, CPI Aero won contract to produce assemblies for 242 wings for the A-10
- Received firm orders to produce assemblies for 173 wings
- March 2014, the DoD 2015 Budget Request called for the retirement of the entire A-10 fleet
- Management concluded the A-10 WRP program would not be completed and anticipated termination in 2015
 - Took a ~\$47.3M non-cash charge in Q2'14 consisting of a \$44.7M adjustment to revenue and a \$2.6M adjustment to cost of sales
- CPI Aero has not received new orders since 2012
- Since mid-2014, company has booked this program at zero margin

Recent development:

- January 2016, USAF announces it is very likely to delay the retirement of the aircraft given ongoing operational needs

Our view:

- Delayed retirement may require USAF to re-wing up to 120 additional aircraft beyond the 173 currently being produced
- Clearer picture will emerge over next 6 months, but we see opportunity
- Expect to continue to perform on current contract through aircraft 173, book at zero margin

Programs (as of 1/14/16): Commercial



Long-Term Visibility - Contracts

Firm, Funded Contracts Provide Long-Term Revenue Visibility and Operating Leverage

'08 '09 '10 '11 '12 '13 '14 '15 '16 '17 '18 '19 '20 '21 '22 '23 '24 '25

NORTHROP GRUMMAN - for the E-2D and C-2A aircraft

TRIUMPH GROUP – for the Gulfstream G650 business jet

BELL HELICOPTER – for the AH-1Z ZULU attack helicopter

HONDA AIRCRAFT – for the HondaJet Business Jet

SIKORSKY – for the S-92® helicopter

SIKORSKY – for the UH-60 BLACK HAWK

EMBRAER – for the Phenom 300 business jet

UTC AEROSPACE SYSTEMS – for the DB-110 ISR Pod

TEXTRON - for the Cessna Citation X+ civilian jet

U.S. GOVERNMENT – for the T38C aircraft

U.S. GOVERNMENT – for the F-16 aircraft

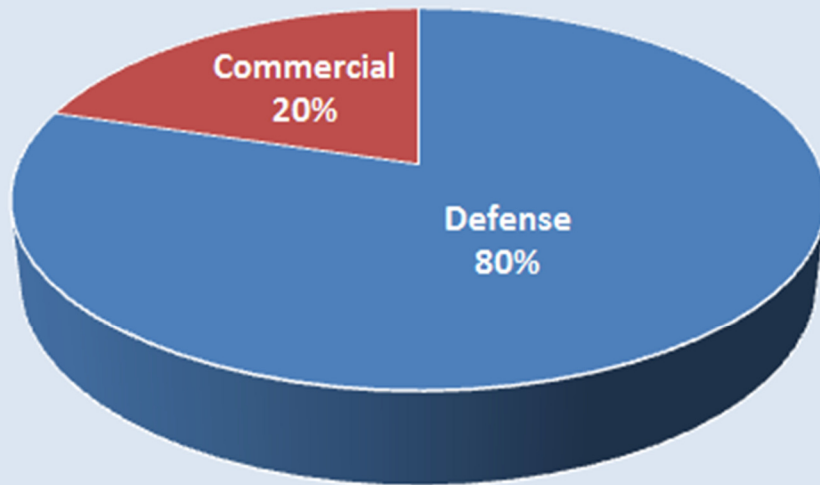
LOCKHEED – for the F-35 aircraft

Potential to collectively generate revenue of **\$421.7M** during their remaining periods of performance
(as of 9/30/15)

Bid Pipeline (1/14/16)

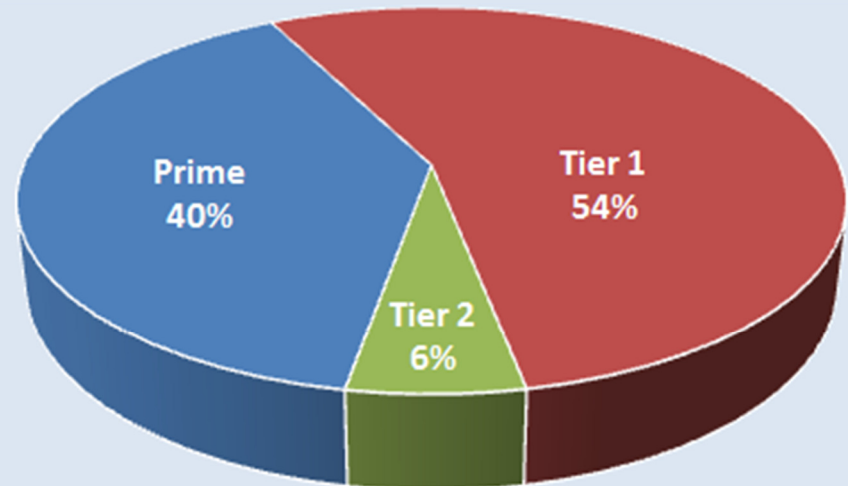
Defense opportunities increasing

Defense vs Commercial



■ Defense ■ Commercial

By Position Within the Supply Chain



■ Prime ■ Tier 1 ■ Tier 2

Growth Strategy



EXECUTE

Maintain and grow Tier 1 status

Continuously improve delivery, quality and performance

Improve margins

Improve cash flow



GROW

Continued investment in automation and productivity

Win additional new long-term programs

Organic growth

May consider acquisitions to gain scale, enter new markets



EVOLVE

Expand global supply chain services and MRO

Continued improvement in manufacturing capabilities

Drive balance across segments and diversify customer base

Extend international reach

Financial Highlights

Recent Highlights

Recent Financial Performance

Q315 Revenue:

\$26.8 Million

vs Q314 Revenue

**Up
25%**

Q315 Net Income:

\$2.5 Million

vs Q314 Net Income

**Up
44%**

Large Backlog:

\$421.7 Million

at 9/30/15 vs. 12/31/14

**Up
\$18M**

Funded backlog
up \$5.1 Million

Unfunded backlog
up \$12.8 Million

Balance Sheet Highlights (as of 9/30/15)

CEE
(unbilled receivables)

• \$96.4M

Total Debt

• \$26.3M

Credit Facility

• \$35M, of which \$10.3M is available

**Shareholders'
Equity**

• \$69.8M

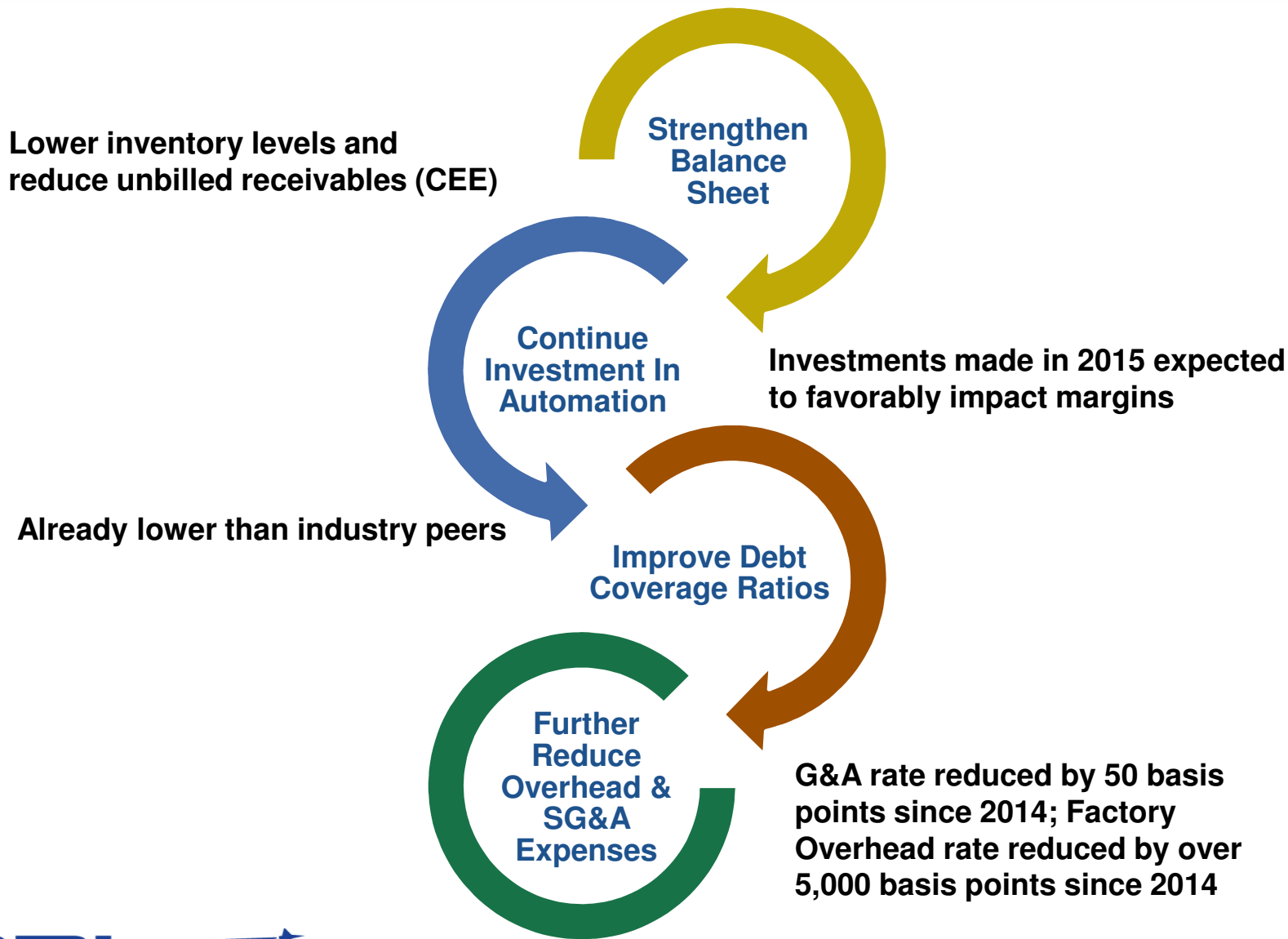
Book Value

• \$8.15/share

Debt-to-Capital

• 0.38

2016 Financial Initiatives



Conclusion

CPI Aero is well positioned to continue to grow its business due to:

- **Large, diversified and growing backlog**
- **Growing bid pipeline – new opportunities for both the defense and commercial markets**
- **Ability to perform on larger and more complex programs due to investments in advanced technologies**
- **Vast growth opportunities arising from developments in both commercial aerospace and defense sector**
- **Opportunities in North America and internationally**

Contact us



CPI Aerostructures

Vincent Palazzolo, CFO

(631) 586-5200

www.cpiaero.com

Investor Relations

Jody Burfening & Sanjay M. Hurry

(212) 838-3777

cpiaero@lhai.com

www.lhai.com

