Welcome to the

2018 Annual Meeting of Shareholders

May 1, 2018

SYPRIS SOLUTIONS

Safe Harbor Disclosure

Forward-looking statements include our plans and expectations of future financial and operational performance. 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: our estimated EBITDA and cash flows includes significant gains and proceeds from the anticipated sale of certain equipment, but there can be no assurances that such sales will be achieved as planned; our failure to return to profitability on a timely basis, which would cause us to continue to use existing cash resources or other assets to fund operating losses; our failure to successfully complete final contract negotiations with regard to our announced contract "awards" or "bookings"; our failure to successfully complete final contract negotiations with regard to our announced contract "awards"; our failure to implement specific plans (a) to offset the impact of reduced revenues as we migrate our focus from a small number of traditional tier 1 customers in the commercial vehicle markets to a more diversified base of customers who are able to place higher strategic value on our innovation, flexibility and lean manufacturing capabilities, including an increase in sales of our Tube Turns® product line, and (b) to implement our cost-savings initiatives and to consolidate and streamline operations in accordance with the modified exit or disposal plan related to our Broadway Plant and our other plans, including the ability of our Toluca Plant to successfully consolidate any relocated operations or business lines; the fees, costs and supply of, or access to, debt, equity capital, or other sources of liquidity; inventory valuation risks including excessive or obsolescent valuations or price erosions of raw materials or component parts on hand; breakdowns, relocations or major repairs of machinery and equipment, especially in our Toluca Plant; disputes or litigation involving supplier, customer, employee, creditor, stockholder, product liability or environmental 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; potential impairments, non-recoverability or write-offs of assets or deferred costs; the costs of compliance with our auditing, regulatory or contractual obligations; regulatory actions or sanctions; dependence on, retention or recruitment of key employees; the cost, quality, timeliness, efficiency and yield of our operations and capital investments, including working capital, production schedules, cycle times, scrap rates, injuries, wages, overtime costs, tariffs, freight or expediting costs; cost and availability of raw materials such as steel, component parts, natural gas or utilities; changes in licenses, security clearances, or other legal rights to operate, manage our work force or import and export as needed; labor relations; strikes; union negotiations; pension valuation, health care or other benefit costs; potential weaknesses in internal controls over financial reporting and enterprise risk management; our inability to patent or otherwise protect our inventions or other intellectual property from potential competitors; our reliance on third party vendors and sub-suppliers; 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 that Sypris Electronics provides, including the timing of budgetary decisions; risks of foreign operations; currency exchange rates; war, terrorism, or political uncertainty; cyber security threats and disruptions; failure to adequately insure or to identify environmental or other insurable risks; unanticipated or uninsured disasters, losses or business risks; inaccurate data about markets, customers or business conditions; or unknown risks and uncertainties.*

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2017 Fiscal Year Highlights

2017 Fiscal Year Highlights

- 2017 was a year of significant accomplishment
  - Completed actions to achieve the previously announced $26.3 million two-year cost improvement target
  - Closure of the Broadway Plant in Q4 2017
  - Reduced SG&A by $8.8 million or 40% from 2016
  - Reduced interest and debt-related costs by $5.6 million or 87% from 2016
  - Sypris Electronics reported operating income for first year since 2010
  - Secured important new business with Northrop Grumman, Harris Corporation, TE SubCom, Daimler, Sisamex and Tremec, and extended the contract with Volvo through 2021
  - The Company is much more balanced in terms of markets served and customer concentration, while the economic outlook for these markets is positive

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Transition Plan Update

Transition Plan Update

- ✓ Established $26.3 million cost reduction goal in 2017 and 2018 as compared to 2016
- $18.2 million is expected to be realized in 2017
  - Actions to achieve $14.8 million or 81% are complete
  - Remaining actions to be implemented by mid-2017
- ✓ $8.1 million of additional cost eliminations in 2018 driven by full-year impact of 2017 actions
- ✓ Select assets transferring from Broadway Plant to other manufacturing facilities
- ✓ Cash proceeds from the sale of non-core assets will exceed 2017 severance and relocation costs
- ✓ 2017 revenue mix reflects lower customer concentration and balanced portfolio of markets served
- Significant gross margin expansion expected in 2H 2017 following completion of cost performance initiatives and improved revenue mix

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Cost Reduction Goals

$ millions

	2017	2018	Total
Cost of sales	$ (6.3)	$ (5.5)	$ (11.8)
Selling, general and administrative	(7.2)	(1.8)	(9.0)
Research and development	(0.3)	No change	(0.3)
Severance, equipment relocation and other costs	1.1	(0.8)	0.3
Interest and loss on extinguishment of debt	(5.5)	No change	(5.5)
Total	$ (18.2)	$ (8.1)	$ (26.3)

- Gross profit to benefit from substantial reduction in fixed overhead for both segments in 2017 with further savings to be realized in 2018
- ✓ Underutilized capacity at both segments eliminated with Tampa facility relocation and Broadway Plant transition
- ✓ Lower cost structure improves competitiveness to convert new business quotes to orders and drive long-term profitable growth
- ✓ Streamlining support functions to reduce SG&A spend
- ✓ Reduction in depreciation expense as asset base is reduced

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Cost Reduction Goals

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- ✓ Facility relocation for SE complete in 4Q 2016 drives $1.7m rent and occupancy cost savings
- Lower production cost in Toluca and reduced workforce in Broadway Plant beginning in 2H 2017
- ✓ Hourly workforce savings of approximately $29 per hour on transferred production
- ✓ Reduction in salary workforce of approximately 35 effective in 2Q 2017
- Lower cost structure contributes to gross margins estimated at 5-7% in 1H 2017, increasing to 15-17% in 2H 2017

Cost Reduction Goals

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- ✓ Elimination of costs incurred in 2016 to contribute to YOY profit improvement
  - ✓ SE facility relocation costs
  - ✓ Consulting, legal and professional fees in 2016 associated with senior secured debt
  - ✓ Retention and incentive costs associated with CSS Sale
- ✓ SG&A cost structure for SE realigned for retained business resulting in significant cost savings
- ✓ SG&A expense forecast 17-19% in 1H 2017 and 16-18% in 2H 2017 compared to 24% in FY 2016

Cost Reduction Goals

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- ✓ Elimination of research and development spend associated with divested operations
- ✓ Continue to utilize internal engineering resources in Louisville and Toluca to support development efforts for commercial vehicle and oil and gas products
- ✓ Sypris Ultra® axle shaft recognized by customer as “Innovation of the Year”

Cost Reduction Goals

$ millions

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- ✓ Severance cost for Broadway Plant transition to be recognized in 1H 2017
- ✓ Equipment relocation cost for assets transferred to Toluca to continue through 2017 and 2018
- ✓ Proceeds from asset sales expected to exceed relocation and severance costs during 1H 2017
- ✓ Transition provides the opportunity to eliminate redundant capital expenditures previously required to support production in both Toluca and Broadway

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Cost Reduction Goals

$ millions

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- ✓ All commercial secured debt repaid in August 2016
- ✓ Interest and related loan cost expense substantially reduced beginning in 3Q 2016
- ✓ Executive, finance and administrative support required under prior loan agreements redirected to improving the business
- Quarter-end cash balance targeted to be stable in 2017
- ✓ Divestiture of non-core assets provides opportunity for strategic reinvestments in 2017 and 2018

Key Takeaways

- ✓ Cost reduction goal of $26.3 million by 2018 is well underway
  - $18.2 million is expected to be realized in 2017
    - Actions to achieve $14.8 million, or 81% of the goal, are complete
    - Remaining actions to be completed by 2Q17
  - $8.1 million of savings in 2018 reflect full-year impact of 2017 actions
- ✓ Final phase of the transition is expected to be cash positive, with the sale of non-core assets expected to exceed 2017 severance and relocation costs
- ✓ 2017 revenue mix reflects balanced mix of customers and markets served
  - ✓ Top five customers expected to be less than 50% of revenue
  - ✓ Markets served: heavy truck 32% of revenue, energy 29% and A&D 23%
- ▪ On track to achieve 2017 targets discussed on Q4 earnings call
  - 1H17: Revenue of $38-$40 million; Gross margin of 5%-7%
  - 2H17: Revenue of $40-$42 million; Gross margin of 15%-17%
- ✓ We have a cost-competitive platform that is well-positioned for profitable growth

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Growth Opportunities:
Sypris Electronics

Growth Opportunities: Sypris Electronics

Market Trends

U.S. DoD

- Prime contractors are enjoying a return to growth
- Future outlook remains positive under current administration
- DoD budget process has always been and will continue to be a challenge

Space

- Defense spending (notably Air Force) in space systems is up
- Mission-critical imagining and weather instrument spending is declining
- Traditional customers facing pressure from new privately-funded space providers

Subsea

- Continued demand for subsea electronics specific to telecom applications
- Expanding set of undersea cable projects

Medical Device

- Aging population, lifestyle diseases, etc. are driving growth
- Patient monitoring devices are one of the fastest growing segments
- Regulatory requirements continue to be a barrier to entry in U.S. market

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Growth Opportunities: Sypris Electronics

Market Trends

Electronic Component Availability

- Worldwide shortage on many types of electronic components
- Recovery of multiple markets are a significant contributor to these shortages
- Availability and lead-time are current challenges in a market that is otherwise growing strongly
- Shortage condition for many component types will continue throughout 2018

Positive market conditions are driving supply chain capacity shortages that will impact forecast variability

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Growth Opportunities: Sypris Electronics

Growth Strategy

Focus on engineering intensive, technology-based, high-reliability electronic products in regulated markets

- Continue to expand share with major government customers
  - Many >$1B in annual revenue
  - Additional locations
  - Vertical content
- Continue to win business in viable long-term DOD programs
  - Major multi-year programs; well-funded
- Continue to expand presence on growing non DOD markets
  - Leverage beach head with initial Medical Device companies
    - ISO 13485 certified, FDA registered
  - High-reliability undersea telecom electronics

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Growth Opportunities: Sypris Electronics

Key Program Opportunities

Communication & Navigation Electronics

- Tier-one prime contractor; long-term relationship
- Demand for end use product continues to grow
- One of the largest programs in current DOD budget
- Customer pursuing multi-year award
- 2018 revenue fully booked
- Anticipate additional award in 2H18 for SOP 1Q19

Infrared Countermeasure Electronics

- Tier-one prime contractor; long-term relationship
- Demand for this end-use product growing
- 2018 revenue fully booked
- Anticipate additional award in 2H18 for SOP 1Q19

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Growth Opportunities: Sypris Electronics

Key Program Opportunities

Electronic Warfare Components

- Tier-one prime contractor; new relationship
- Engineering development program for Sypris in 2018
- Anticipate production award in 2H18 for SOP 1Q19
- Potential for additional follow on business

Weapon System Electronics

- Tier-one prime contractor; long-term relationship
- Demand for this end-use product steady
- 2018 revenue fully booked
- Anticipate additional award in 2H18 for SOP 1H19
- Pursuing additional Sypris content for this program with other customers

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Growth Opportunities: Sypris Electronics

Key Program Opportunities

Undersea Electronics

- Market leading customer in undersea telecom
- Long-term relationship
- Next generation electronic product
- Initial development support award in 1H18
- Production opportunity in 1H19

Weapon System Electronics

- Tier-one prime contractor – new relationship
- Multi-year and multiple product type opportunity
- Initial awards in 1H18; SOP in 2H18
- Pursuing additional programs with possible award in 2H18

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Growth Opportunities: Sypris Electronics

Key Program Opportunities

Medical Device System

- New product owner/customer
- 3-year supply agreement with Sypris
- Multiple market segment use for this product

Sypris Electronics is well positioned as a high value provider to top tier customers in multiple "mission critical" market segments

Growth Opportunities: Sypris Electronics

Summary

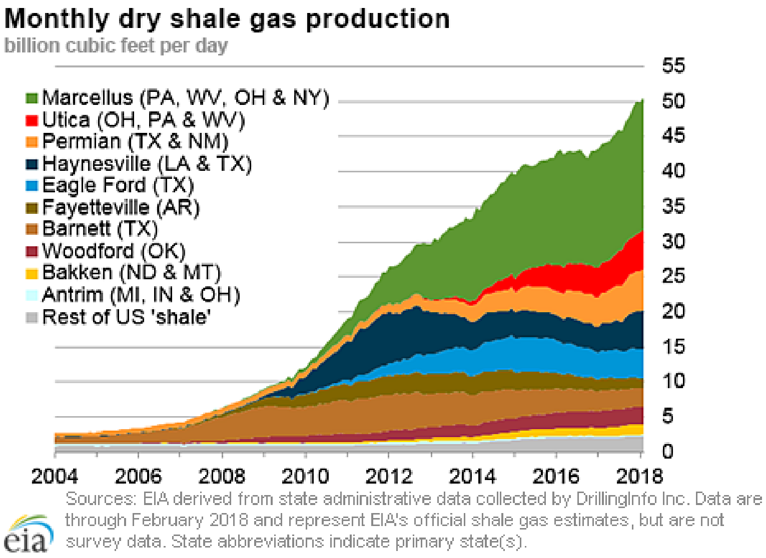
- Markets we participate in are large and customer spending is growing
- Strategic focus is on high-value, mission-critical programs
- Business outlook for the year is positive
- U.S. Government budget process and critical material shortages will continue to be the challenge in a market that is otherwise benefiting from increasing demand

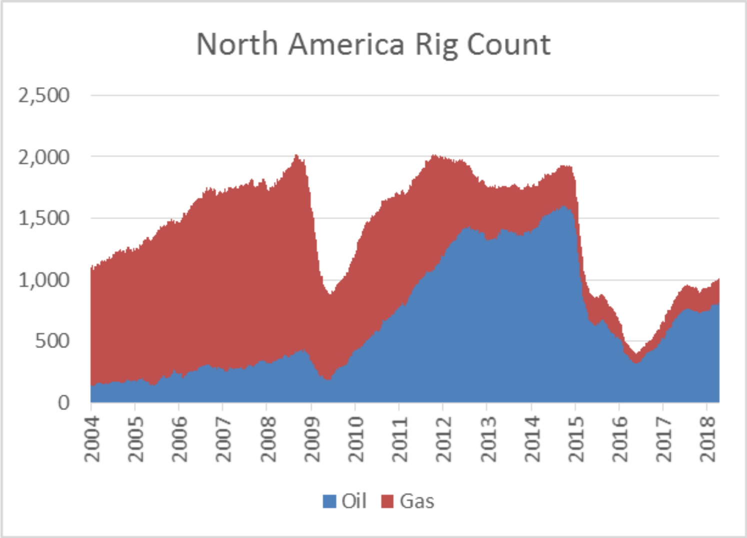
Growth Opportunities:
Energy Products

Growth Opportunities: Energy Products

Market Trends

- Price of oil has increased by 28% from January of 2017
- Natural gas is in demand for power generation and plastics
- Shale 2.0 producers continue to ramp up production responding to the increase in oil prices, continued high demand for natural gas and an energy-friendly administration

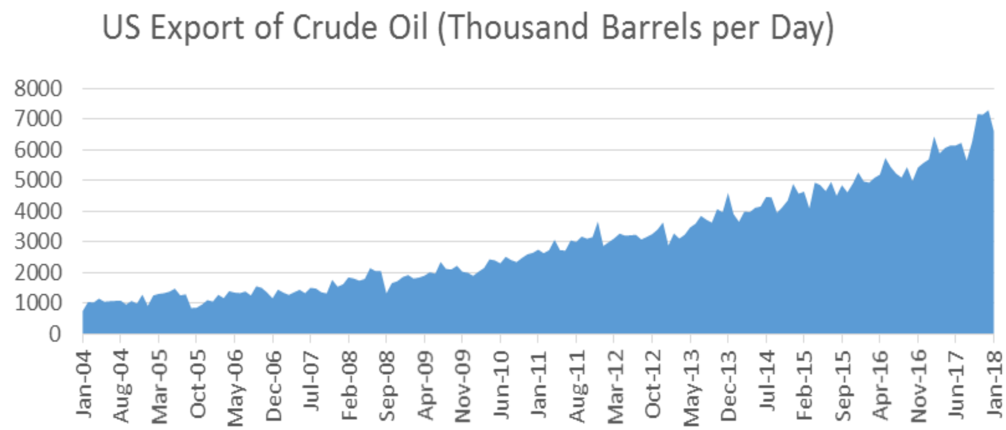


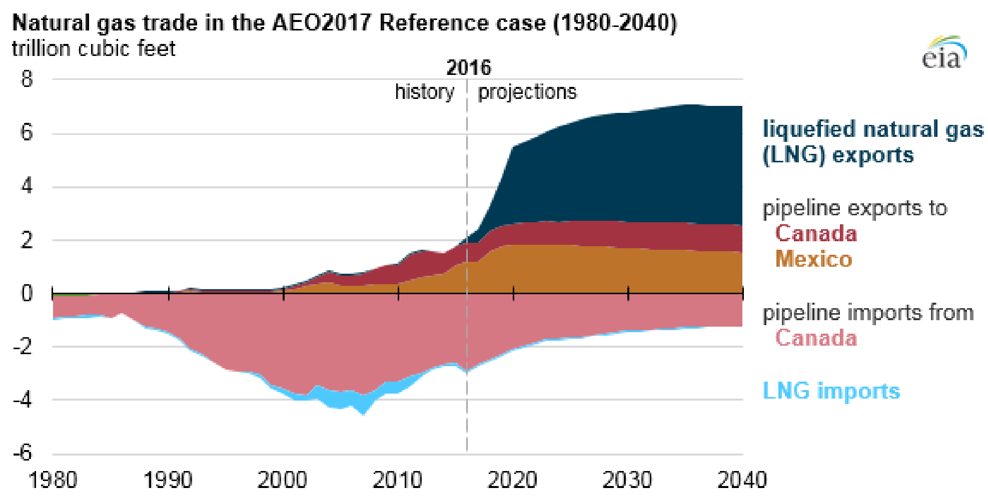


Growth Opportunities: Energy Products

Market Trends

- Newly-enacted legislation is driving exports

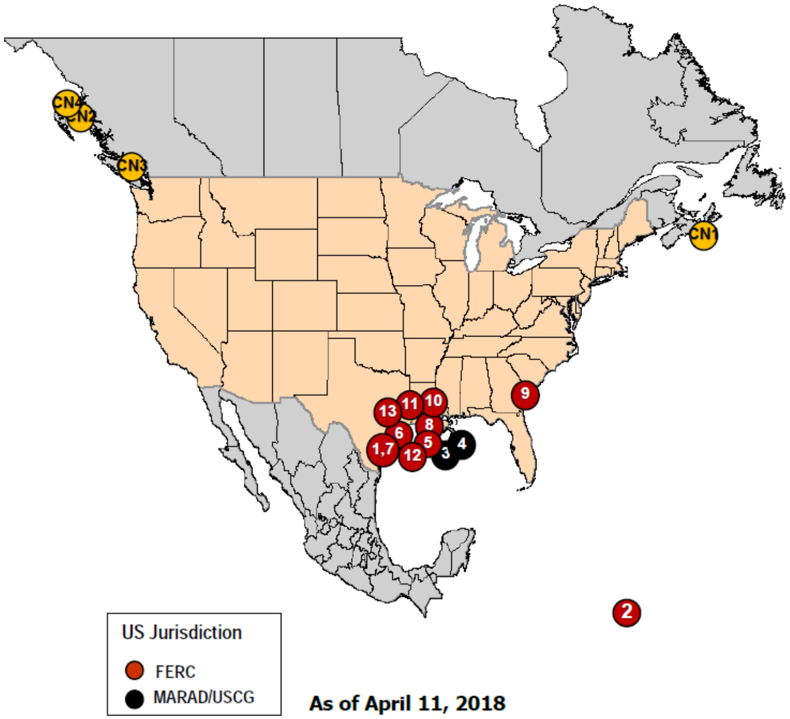




Growth Opportunities: Energy Products

Market Trends

North American LNG Import/Export Terminals
Approved



Import Terminals

U.S.

APPROVED - UNDER CONSTRUCTION - FERC
1. **Corpus Christi, TX:** 0.4 Bcfd (Cheniere – Corpus Christi LNG) (CP12-507)

APPROVED – NOT UNDER CONSTRUCTION - FERC
2. **Salinas, PR:** 0.6 Bcfd (Aguirre Offshore GasPort, LLC) (CP13-193)

APPROVED - NOT UNDER CONSTRUCTION - MARAD/Coast Guard
3. **Gulf of Mexico:** 1.0 Bcfd (Main Pass McMoRan Exp.)
4. **Gulf of Mexico:** 1.4 Bcfd (TORP Technology-Bienville LNG)

Export Terminals

U.S.

APPROVED - UNDER CONSTRUCTION - FERC
5. **Hackberry, LA:** 2.1 Bcfd (Sempra–Cameron LNG) (CP13-25)
6. **Freeport, TX:** 2.14 Bcfd (Freeport LNG Dev/Freeport LNG Expansion/FLNG Liquefaction) (CP12-509) (CP15-518)
7. **Corpus Christi, TX:** 2.14 Bcfd (Cheniere – Corpus Christi LNG) (CP12-507)
8. **Sabine Pass, LA:** 1.40 Bcfd (Sabine Pass Liquefaction) (CP13-552)
9. **Elba Island, GA:** 0.35 Bcfd (Southern LNG Company) (CP14-103) ★

APPROVED – NOT UNDER CONSTRUCTION - FERC
10. **Lake Charles, LA:** 2.2 Bcfd (Southern Union – Lake Charles LNG) (CP14-120)
11. **Lake Charles, LA:** 1.08 Bcfd (Magnolia LNG) (CP14-347)
12. **Hackberry, LA:** 1.41 Bcfd (Sempra - Cameron LNG) (CP15-560)
13. **Sabine Pass, TX:** 2.1 Bcfd (ExxonMobil – Golden Pass) (CP14-517)

Canada

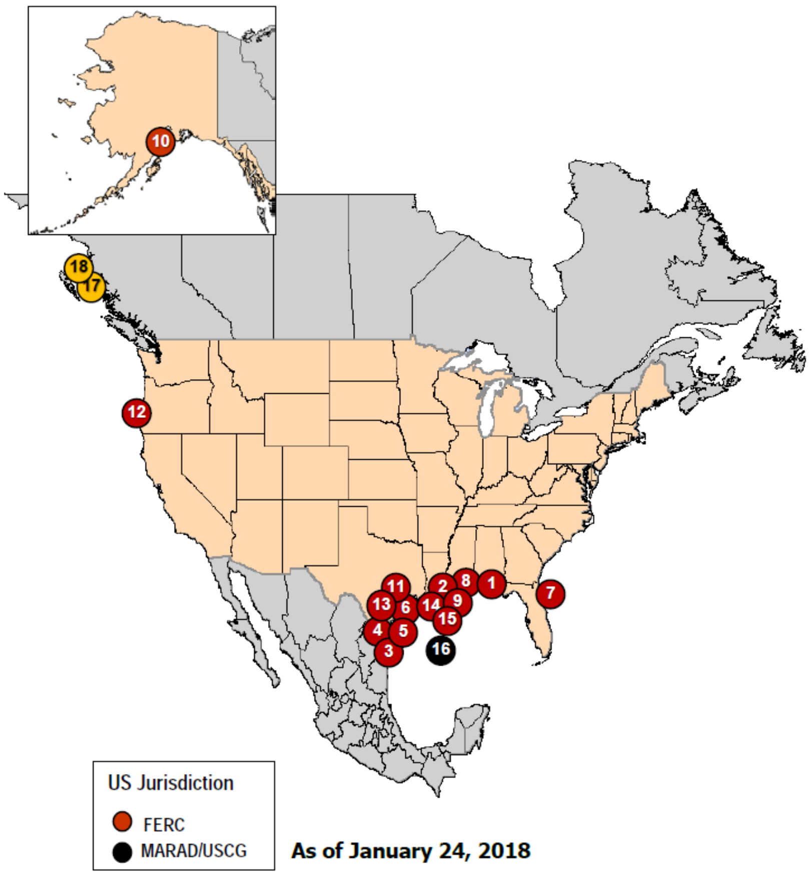
APPROVED – NOT UNDER CONSTRUCTION
CN1. Port Hawkesbury, NS: 0.5 Bcfd (Bear Head LNG)
CN2. Kitimat, BC: 3.23 Bcfd (LNG Canada)
CN3. Squamish, BC: 0.29 Bcfd (Woodfibre LNG Ltd)
CN4. Prince Rupert Island, BC: 2.74 Bcfd (Pacific Northwest LNG)

★ Trains 5 & 6 with Train 5 under construction

Growth Opportunities: Energy Products

Market Trends

North American LNG Export Terminals
Proposed



As of January 24, 2018

PROPOSED TO FERC
Pending Applications:
1. **Pascagoula, MS:** 1.5 Bcfd (Gulf LNG Liquefaction) (CP15-521)
2. **Cameron Parish, LA:** 1.41 Bcfd (Venture Global Calcasieu Pass) (CP15-550)
3. **Brownsville, TX:** 0.55 Bcfd (Texas LNG Brownsville) (CP16-116)
4. **Brownsville, TX:** 3.6 Bcfd (Rio Grande LNG – NextDecade) (CP16-454)
5. **Brownsville, TX:** 0.9 Bcfd (Annova LNG Brownsville) (CP16-480)
6. **Port Arthur, TX:** 1.86 Bcfd (Port Arthur LNG) (CP17-20)
7. **Jacksonville, FL:** 0.132 Bcf/d (Eagle LNG Partners) (CP17-41)
8. **Plaquemines Parish, LA:** 3.40 Bcfd (Venture Global LNG) (CP17-66)
9. **Calcasieu Parish, LA:** 4.0 Bcfd (Driftwood LNG) (CP17-117)
10. **Nikiski, AK:** 2.63 Bcfd (Alaska Gasline) (CP17-178)
11. **Freeport, TX:** 0.72 Bcfd (Freeport LNG Dev) (CP17-470)
12. **Coos Bay, OR:** 1.08 Bcfd (Jordan Cove) (CP17-494)

Projects in Pre-filing:
13. **Corpus Christi, TX:** 1.86 Bcfd (Cheniere – Corpus Christi LNG) (PF15-26)
14. **Cameron Parish, LA:** 1.18 Bcfd (Commonwealth, LNG) (PF17-8)
15. **LaFourche Parish, LA:** 0.65 Bcfd (Port Fourchon LNG) (PF17-9)

PROPOSED TO U.S.-MARAD/COAST GUARD
16. **Gulf of Mexico:** 1.8 Bcfd (Delfin LNG)

PROPOSED CANADIAN SITES
17. **Kitimat, BC:** 1.28 Bcfd (Apache Canada Ltd.)
18. **Douglas Island, BC:** 0.23 Bcfd (BC LNG Export Cooperative)

Growth Opportunities: Energy Products

Opportunities

- Energy transportation needs for upward oil & gas trend in the U.S. driving opportunities, i.e., pipelines
- Aging Infrastructure requires maintenance
- Sypris is a long-time producer of the specialty closures, insulated joints and other highly-engineered products required by these pipelines
- 2017 revenues up 36% over 2016
- Key focus projects for 2018:

Project Name	Owner
Trans Mountain Expansion Project	Kinder Morgan
Atlantic Coast Pipeline	Dominion
Mountain Valley Pipeline	EQT
Mountaineer & Gulf Xpress	TransCanada
W B Xpress	TransCanada

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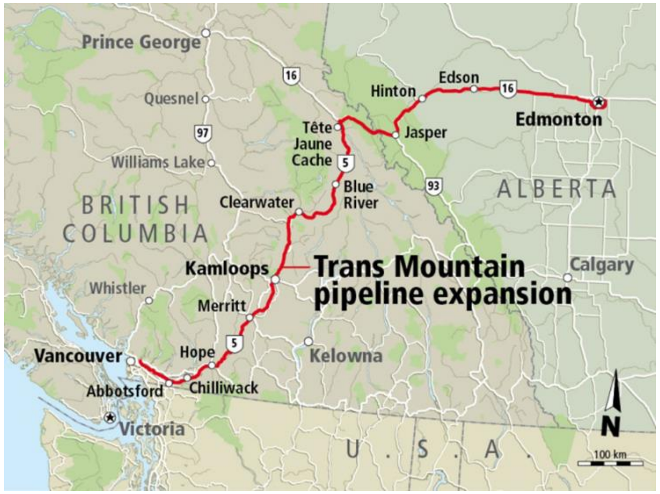
Growth Opportunities: Energy Products

Key Focus Projects

- Trans Mountain Expansion Project (Kinder Morgan)
  - Cost $5.9 billion
  - 609 miles of 42-inch pipeline
  - Adds up to 590,000 barrels of oil per day
  - Currently being blocked by British Columbia, but extremely important to Canadian economy
  - Opportunity: closures, anchor flanges



Growth Opportunities: Energy Products

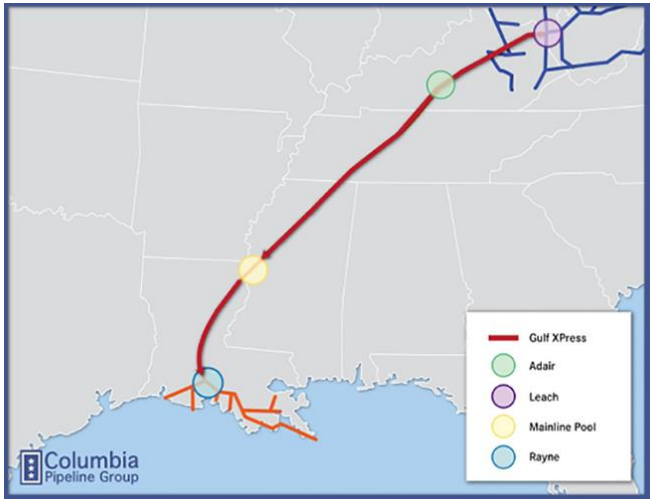
Key Focus Projects

- Atlantic Coast Pipeline (Dominion)
  - Cost $5.0 billion
  - 600 miles of pipeline
  - Adds up to 1,500 MM cf/d
  - Under construction
  - Opportunity: closures and insulated joints for this line and attaching connections
- Mountain Valley Pipeline (EQT)
  - Cost $3.5 billion
  - 303 miles of 42-inch pipeline
  - Adds up to 2,600 MM cf/d
  - Under construction
  - Opportunity: closures and insulated joints for this line and attaching connections

Growth Opportunities: Energy Products

Key Focus Projects

- Mountaineer & Gulf Xpress (TransCanada)
  - Cost $3.2 billion
  - 170 miles of pipeline and 10 new compressor stations
  - Adds up to 3,575 MM cf/d
  - Under construction
  - Opportunity: closures & insulated joints for this line and attaching connections
- WB Express (TransCanada)
  - Cost $0.85 billion
  - Two new compressor stations and 30 miles of pipeline
  - Adds up to 1,300 MM cf/d
  - Under construction
  - Opportunity: closures and insulated joints for this line and attaching connections



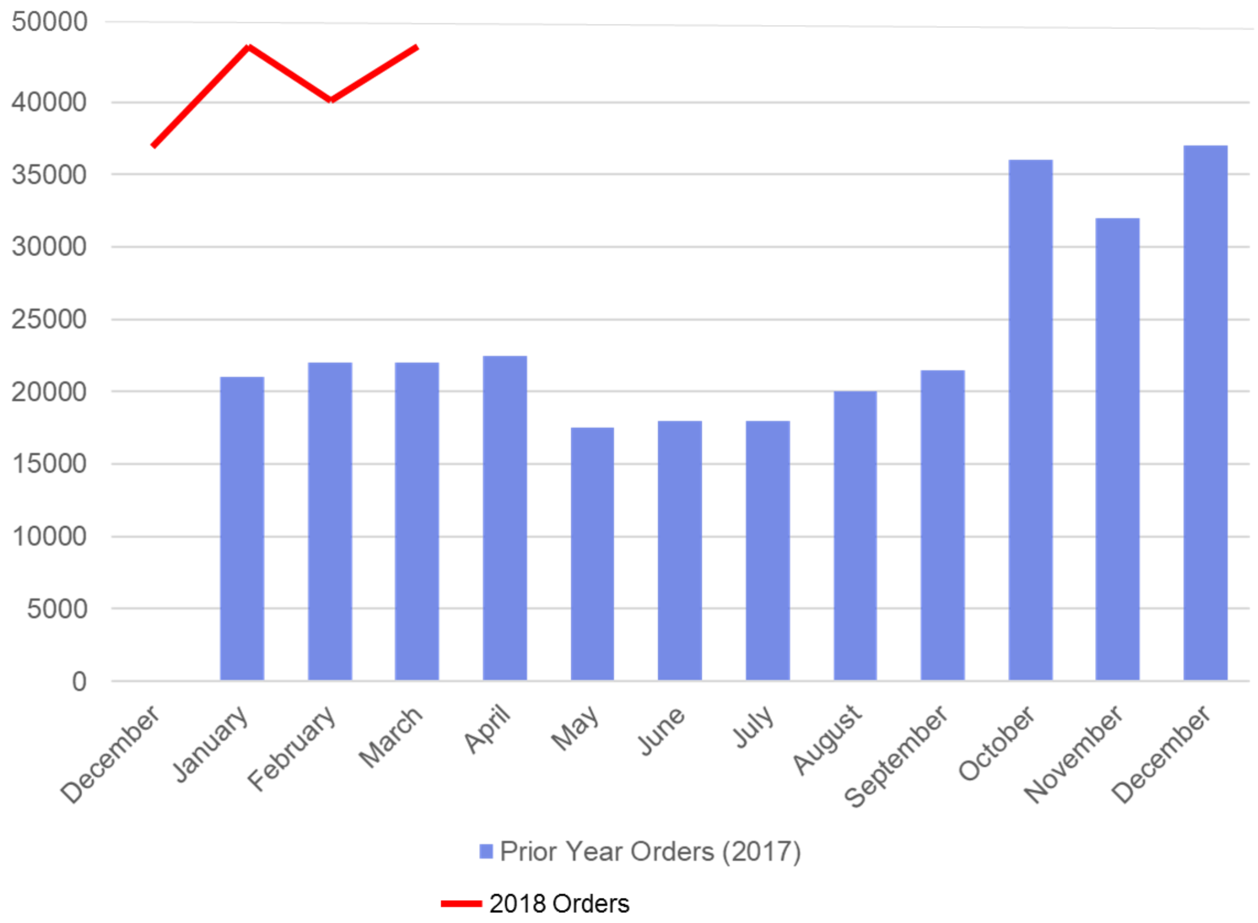
Growth Opportunities:

Sypris Technologies

Growth Opportunities: Sypris Technologies

2018 Strong Year

- NA Class 8 Market represents the highest level since 2006



Growth Opportunities: Sypris Technologies

Market Trends

- Truck
  - Significant market growth underway
  - Front axle: knuckle machining and NPI
  - Rear axle: axle shaft forging and blanking
  - Transmissions: shaft forging and blanking
- Automotive
  - Transmission: shaft forging and machining
  - Rear axle: axle shaft, flange and pinion forging; gear heat treat
- Recreation Vehicles
  - Transmission: gears, pinions and shafts
- Agricultural
  - Front axle: gear and pinions
  - Drivetrain: yokes

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Growth Opportunities: Sypris Technologies

Awarded Business

- Gears and Pinions (forged and blanked)
  - All terrain vehicles
  - Production intent parts: May 2018
  - Start of production: January 2019
  - Six-year program
  - $2.7M annual revenue

- Transmission Shafts (forged and machined)
  - Automotive
  - Production intent parts: July 2018
  - Start of production: November 2018
  - Seven-year program
  - $4.8M annual revenue

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Growth Opportunities: Sypris Technologies

Awarded Business

- Light Vehicle Axle Shafts (forged)
  - Automotive
  - Transition to new model
  - Start of production: April 2018
  - Four-year contract
  - $2.0M annual revenue

- Gears and Pinions (forged and blanked)
  - Agricultural
  - PPAP: April 2018
  - Start of production: October 2018
  - Five-year contract
  - $0.2M annual revenue

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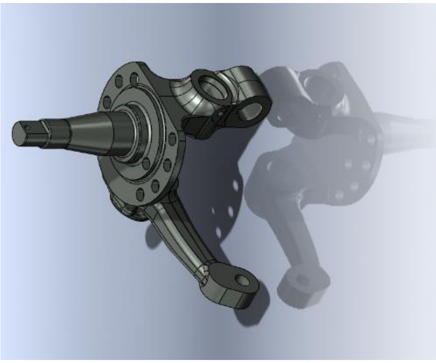
Growth Opportunities: Sypris Technologies

Awarded Business

- Yokes (forged)
  - Off-highway
  - Start of production: January 2018
  - Four-year program
  - $0.6M annual revenue

- Knuckles (machined)
  - Commercial vehicle
  - Start of production: August 2018
  - Three-year program
  - $0.2M annual revenue



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Growth Opportunities: Sypris Technologies

Awarded Business

- Valves (forged and machined)
    - Refrigeration
    - Production intent parts: November 2018
    - Start of production: January 2019
    - Five-year program
    - $1.0M annual revenue

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Growth Opportunities: Sypris Technologies

Prospective Business

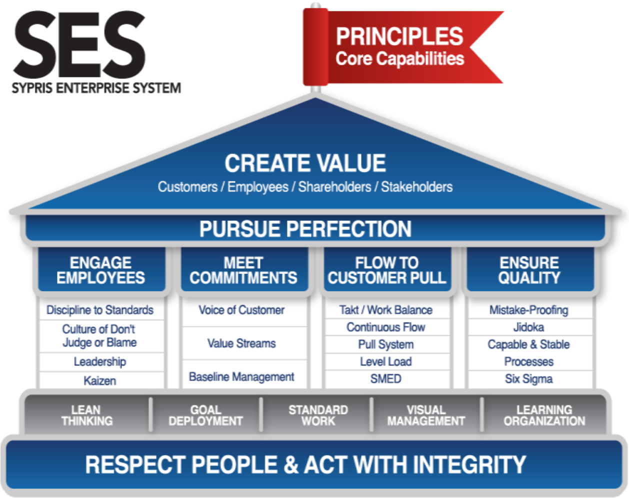
- Axle Shafts (forged and machined)
  - Medium-duty commercial truck
  - Start of production: January 2021
- Knuckles (forged and machined)
  - Commercial truck
  - Start of production: July 2018
  - Two-year program
- Arms (forged and machined)
  - Automotive
  - Aluminum forge
- Valves (forged and machined)
  - Oil and Gas

Continuous Improvement:

Sypris Technologies

Continuous Improvement: Sypris Technologies

Leveraging our culture of continuous improvement will continue to strengthen our foundation for further growth



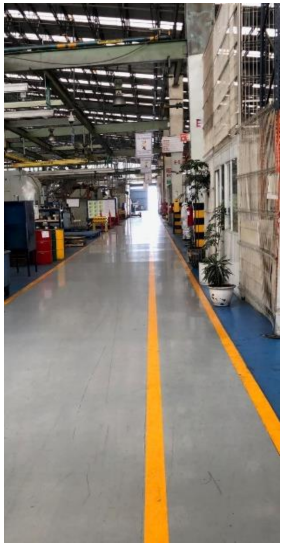
- Our culture is a critical element to our innovation strategy
- It centers on creating value utilizing core principles with a focus on people, skills, behaviors, learning and talent development
- The Sypris Enterprise System has a 10-year pedigree

SYPRIS® SOLUTIONS

Continuous Improvement: Sypris Technologies

Integrated into our Business Units

- Local CI leadership teams
- Dedicated CI resources
- Rolling CI and Kaizen schedule
- Visual shop floor management
- Improved problem solving
- Increasing throughput
- Reduction in scrap
- Lower costs



SYPRIS® SOLUTIONS

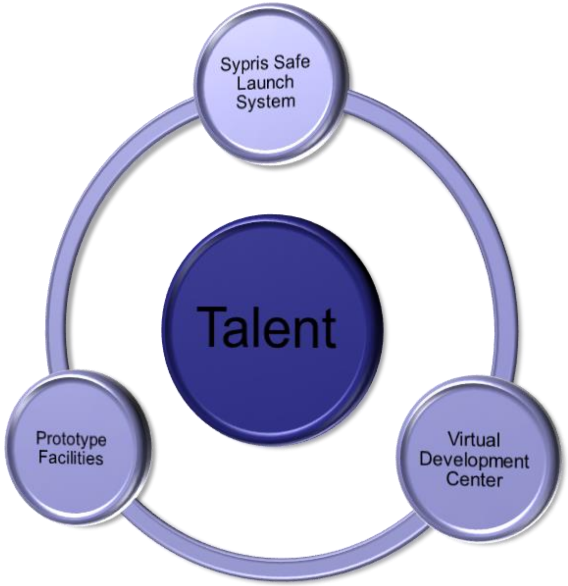
Innovation:

Sypris Technologies

Innovation: Sypris Technologies

Sypris Development Center

- The objective of the Sypris Development Center is to create unique value for our customers through Innovation – technology, design, process and materials

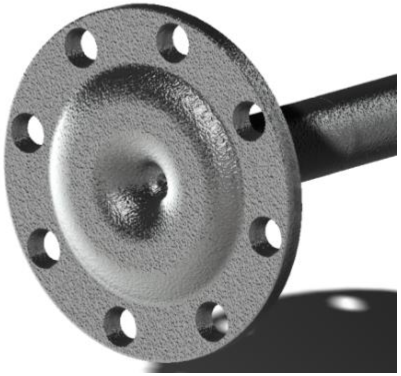


Innovation: Sypris Technologies

New Products

Sypris Ultra® Axle Shafts

- Specialized material
- Lighter weight
- More durable
- No quality concerns since launch more than 2 years ago
- New versions developed for release

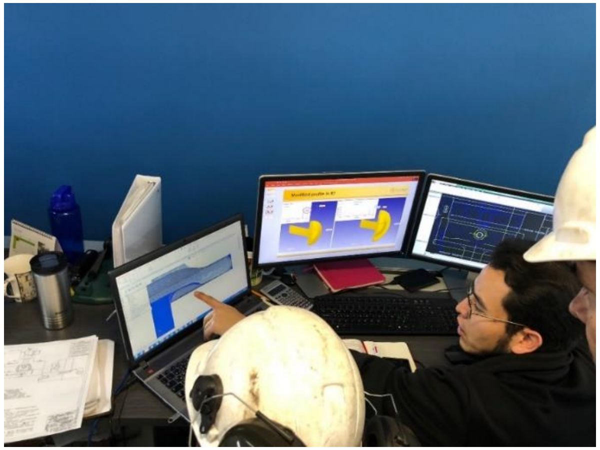


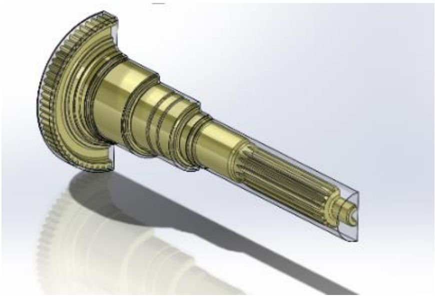
Innovation: Sypris Technologies

SYPRIS®
DEVELOPMENT CENTER

New Products and Processes

- Process design and development
- Forging process design
- Tolling design
- Product validation
- New product development





Summary

2017 Summary

- 2017 was a year of significant accomplishment
  - Completed actions to achieve the previously announced $26.3 million two-year cost improvement target
  - Secured important new business that helped to establish a solid foundation for 2018 and beyond
- Customer concentration and markets served are now balanced
  - Top two customers < 27% of revenue; no single customer > 15% of revenue
  - Markets: heavy truck 35%; energy 25%; A&D 25%; all other: 15%
- 2018 market opportunities are quite positive for each line of business
  - Heavy truck orders are up significantly; energy prices are approaching $70.00 per barrel; DoE budgets have increased materially
- 2018 financial outlook reflects these factors
  - Revenue of $90.0-$96.0 million
  - Gross margin of 15.0%-17.0%
  - Expect to return to profitability for 2018

SYPRIS® SOLUTIONS