

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) December 15, 2004

**Sypris Solutions, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

**0-24020**

**61-1321992**

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(IRS Employer  
Identification No.)

**101 Bullitt Lane, Suite 450, Louisville, Kentucky**

**40222**

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code 502/329-2000

**N/A**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 1.01 Entry into a Material Definitive Agreement.**

On December 15, 2004, the Board of Directors of Sypris Solutions, Inc. (the "Company") authorized and approved an amendment to the Sypris Solutions, Inc. Directors Compensation Program, adopted on September 1, 1995 and Amended and Restated on February 24, 2004 (as amended, the "Program"), solely for the purpose of substituting the 2004 Sypris Equity Plan for the Company's Independent Directors' Stock Option Plan, now expired. The 2004 Sypris Equity Plan was previously adopted and filed as an exhibit to the Company's registration statement on Form S-8 filed April 29, 2004. Under the Program, non-employee directors may be compensated in the form of options to purchase common stock of the Company pursuant to the terms of the Program and the terms of the 2004 Sypris Equity Plan. Under the Program, each non-employee director receives an annual retainer of \$19,000, a fee of \$1,450 for attending each meeting of the Board of Directors (\$300 if attendance was by phone), a fee of \$1,400 for acting in the capacity of Chairman for each Committee meeting (\$300 if attendance was by phone) and a fee of \$1,000 for other non-employee directors attending each Committee meeting (\$300 if attendance was by phone). Non-employee directors may elect to receive their annual retainer and meeting fees in the form of stock options. The number of stock options is determined by dividing the annual retainer and fee amount, as applicable, by 33% of the fair market value of common stock on the date of grant. Non-employee directors also receive initial (up to 10,000 shares) and annual (up to 4,500 shares) grants of stock options for each elected term as a director. Directors who are employees of the Company or its affiliates are not eligible to receive compensation for services as a director. The Program and the form of non-qualified stock option award agreement for grants to non-employee directors are attached hereto as Exhibits 10.1 and 10.2, respectively, and are incorporated by reference herein.

The forms of non-qualified stock option award agreement and form of performance-based stock option award agreement for grants to executive officers and other key employees are attached hereto as Exhibits 10.3 and 10.4, respectively, and are incorporated by reference herein.

**Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.**

(d) On December 15, 2004, William G. Ferko was elected as a Class III member of the Company's Board of Directors, effective January 1, 2005. Mr. Ferko is the Vice President and Chief Financial Officer of Genlyte Group, Incorporated. There is no arrangement or understanding pursuant to which Mr. Ferko was selected as a director, and the Company has no related party transactions with Mr. Ferko. The Board of Directors has determined that Mr. Ferko will be a member of the Audit and Finance Committee and a member of the Nominating and Governance Committee.

A copy of the press release announcing Mr. Ferko's election is attached as Exhibit 99.1 to this Form 8-K and is incorporated by reference herein.

**Item 9.01 Financial Statements and Exhibits.**

<u>Exhibit</u>	<u>Description</u>
10.1	Sypris Solutions, Inc. Directors Compensation Program.
10.2	Form of non-qualified stock option award agreement for non-employee directors.
10.3	Form of non-qualified stock option award agreement for grants to executive officers and other key employees
10.4	Form of performance-based stock option award agreement for grants to executive officers and other key employees.
99.1	Press Release issued December 17, 2004.

---

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**SYPRIS SOLUTIONS, INC.**

December 20, 2004

/s/ John R. McGeeney  
John R. McGeeney  
Secretary/General Counsel

SYPRIS SOLUTIONS, INC.  
DIRECTORS COMPENSATION PROGRAM  
ADOPTED ON SEPTEMBER 1, 1995

AMENDED AND RESTATED ON FEBRUARY 24, 2004  
(AND AS AMENDED DECEMBER 15, 2004)

**Description of the Program**

**Name.** The name of this benefit program shall be the "Directors Compensation Program."

**Purpose.** The purpose of the Directors Compensation Program is to enable Sypris Solutions, Inc. (the "Company") to attract, retain and motivate experienced directors by providing compensation that is competitive with compensation offered to directors of other similarly-situated public corporations in the United States.

**Eligibility and Participation.** Only "Eligible Directors," defined as those members of the Board of Directors of the Company (the "Board") who are not otherwise employed by the Company, its subsidiaries or any affiliate of the Company in any other capacity, are eligible to participate in the Directors Compensation Program. Any Eligible Director on the Board as of September 1, 1995 (the "Effective Date") and thereafter shall be eligible for compensation under the Directors Compensation Program.

**Compensation.** Eligible Directors shall be compensated as set forth below:

(a) **Initial Election Grants and Annual Grants of Stock Options.** The Company shall grant each Eligible Director a nonqualified stock option for the purchase of: (i) up to 10,000 shares of the Company's common stock, \$.01 par value (the "Common Stock") at the time the Eligible Director is initially elected to serve on the Board (the "Initial Election Grant"); and (ii) up to 4,500 shares of the Company's Common Stock at each annual stockholders' meeting thereafter (the "Annual Grant"), so long as a Director is continuing to serve as a Director on the date of said annual stockholders' meeting. In the event that an Eligible Director is initially elected to the Board at a time other than the date of the Company's annual stockholders' meeting, he or she shall receive an Annual Grant at the subsequent annual stockholders' meeting for a pro rated number of shares to be determined by multiplying 4,500 by a fraction, the numerator of which shall be the number of full months which have elapsed since the date of the Director's initial election and the next annual stockholders' meeting and the denominator of which shall be 12. All such stock options shall be granted by the Company to the Eligible Directors pursuant to the Company's 2004 Equity Plan (the "Equity Plan"). Each of the options shall be: (i) granted on the dates each of the respective Eligible Directors is initially elected and on the date of each annual stockholders' meeting; (ii) priced at the fair market value of the Company's common stock, as determined in accordance with the Equity Plan, on the respective date of grant; (iii) immediately exercisable by each of the Eligible Directors on the respective dates of grant; and (iv) subject to the terms and conditions of the Equity Plan and any other terms and conditions which, in accordance with the Equity Plan, are specified in the applicable Stock Option Agreement entered into by and between the Company and each of the Eligible Directors.

Page 1 of 4

---

(b) **Annual Retainer.**

(i) **Amount.** Each Eligible Director shall receive an annual retainer in the amount of \$19,000 (the "Annual Retainer"). In the event that an Eligible Director is initially elected to the Board at a time other than the date of the Company's annual stockholders' meeting, he or she shall receive a prorated Annual Retainer (the "Prorated Annual Retainer") the amount of which is to be determined by multiplying \$19,000 by a fraction, the numerator of which shall be the number of full months which have elapsed since the date of the Director's initial election to the Board and the next annual stockholders' meeting and the denominator of which shall be 12.

(ii) **Payment.** The Annual Retainer or the Prorated Annual Retainer, as applicable, shall be earned by the Eligible Directors and paid by the Company in equal quarterly installments for each Eligible Director. The quarterly installments of the Annual Retainer or Prorated Annual Retainer shall be payable, together with any attendance fees (defined below), in arrears by checks issued to each Eligible Director no later than the 15th calendar day following the end of each of the Company's fiscal quarters during which the respective Eligible Director served on the Board. Alternatively, pursuant to Paragraph (d) below, each Eligible Director may elect to receive his or her Annual Retainer or Prorated Annual Retainer, together with any attendance fees, in the form of nonqualified stock options in lieu of cash.

(c) **Attendance Fees.**

(i) **Board Meetings.** Each Eligible Director shall receive the sum of \$1,450 for each meeting of the Board he or she attends in person or, alternatively, the sum of \$300 for each meeting of the Board in which he or she participates by telephone (collectively, the "Board Meeting Attendance Fees"). For purposes of the Directors Compensation Program, "attendance" shall not include execution of an action by written consent of the Board. Board Meeting Attendance Fees earned by each Eligible Director during a fiscal quarter shall be payable, together with the quarterly installment of the Annual Retainer or Prorated Annual Retainer, by a check issued no later than the 15th calendar day following the end of the fiscal quarter. Alternatively, pursuant to Paragraph (d) below, each Eligible Director may elect to receive his or her Board Meeting Attendance Fees in the form of nonqualified stock options in lieu of cash.

(ii) **Committee Meetings.** Eligible Directors are entitled to compensation for attending or participating in meetings of committees of the Board. Each Eligible Director who attends a committee meeting in person and serves as the chairperson of the meeting shall receive the sum of \$1,400 per meeting, and each of the other Eligible Directors who attend such a committee meeting in person shall receive the sum of \$1,000 per meeting. Alternatively, each Eligible Director who, as the chairperson or as a committee member, participates by telephone in committee meetings of the Board shall receive the sum of \$300 per meeting. (All of the aforementioned fees in this subparagraph shall hereafter be collectively referred to as the "Committee Meeting Attendance Fees"). For purposes of the Directors Compensation Program, "attendance" shall not include execution of an action by written consent for any committee. Committee Meeting Attendance Fees earned by each Eligible Director during a fiscal quarter shall be payable, together with the Annual Retainer or Prorated Annual Retainer and the Board Meeting Attendance Fees, by a check issued to the Eligible Director no later than the 15th calendar day following the end of the fiscal quarter. Alternatively, pursuant to Paragraph (d) below, each Eligible Director may elect to receive his or her Committee Meeting Attendance Fees in the form of nonqualified stock options in lieu of cash.

(d) *Form of Payment.* Each Eligible Director may elect to receive his or her Annual Retainer or Prorated Annual Retainer, Board Meeting Attendance Fees and Committee Meeting Attendance Fees in the form of nonqualified stock options in lieu of cash. The election to receive stock options in lieu of cash must be made by the Eligible Director before each January 1 and shall apply to the sum of the Annual Retainer, Prorated Annual Retainer, Board Meeting Attendance Fees and Committee Meeting Attendance Fees (collectively, the "Fees") earned during the following calendar year. Eligible Directors initially elected to the Board other than at an annual stockholders' meeting shall make the election no later than 10 calendar days after being elected to the Board and such election shall apply to Fees earned during the remainder of such calendar year. An Eligible Director who fails to make a timely election for the first calendar year such director is eligible to make an election shall be deemed to have elected to receive Fees in cash. An Eligible Director who fails to make an election for any subsequent calendar year shall be deemed to have made the same election such director made for the immediately preceding calendar year. Such elections, including deemed elections, shall be irrevocable for the calendar year for which made.

Any stock options issued to an Eligible Director in lieu of cash compensation shall be granted to the respective Eligible Director pursuant to the Equity Plan on a quarterly basis, with each grant to be made on the first day following the end of each of the Company's fiscal quarters (the "Date of Grant"). The number of shares to be granted under such options shall be determined by dividing the total of the quarterly installment of the Annual Retainer or Prorated Annual Retainer, as applicable, plus any Board Meeting Attendance Fees and any Committee Meeting Attendance Fees earned by the respective Eligible Director during the previous fiscal quarter by 33% of the fair market value of the Company's Common Stock, as determined in accordance with the Equity Plan, on the Date of Grant. The options shall be: (i) priced at the fair market value of the Company's Common Stock, as determined in accordance with the Equity Plan, on the Date of Grant; (ii) immediately exercisable by each of the Eligible Directors on the respective date of grant; and (iii) subject to the terms and conditions of the Equity Plan and any other terms and conditions which, in accordance with the Equity Plan, are specified in the applicable Stock Option Agreement entered into by and between the Company and each of the Eligible Directors.

**Expense Reimbursement.** Each Eligible Director shall be reimbursed for travel and other expenses incurred in the performance of his or her duties.

**Administration.** The Directors Compensation Program is administered by the Compensation Committee of the Board. The Committee members are selected by the Board and have no specific term of office.

**Resignation from the Board of Directors.** The resignation of any Eligible Director shall cause such director to be ineligible to receive any amount of the Annual Retainer or Prorated Annual Retainer installments not yet paid to him or her as of the date of resignation. Any attendance fees which have been earned by the Eligible Director in accordance with Paragraph (c) above prior to the date of resignation shall be paid in the same form and according to the same timetables described in Paragraph (c) above.

**Program Termination or Modification.** The Compensation Committee shall review the Directors Compensation Program on at least an annual basis and may make changes, alterations or modifications to the program which are deemed to be in the Company's best interest. Any change, alteration or modification shall be made by a written instrument consented to by the Board. The Board may similarly

terminate the Directors Compensation Program at any time if, in the judgment of the Board, such termination is in the Company's best interest.

IN WITNESS WHEREOF, the Company has caused this Directors Compensation Program to be executed in its name and on its behalf on December 15, 2004.

**SYPRIS SOLUTIONS, INC.**

By: /s/ Jeffrey T. Gill

Jeffrey T. Gill  
President and CEO



**NON-QUALIFIED STOCK OPTION**

**AWARD AGREEMENT**

Effective as of [Date] (“Grant Date”), the Company hereby grants to [Director] certain rights to purchase up to: **[# of Shares]** total Option Shares for **[\$Price]** per Share until [Date] (“Expiration Date”) on the Terms of this Agreement, the attached Terms, and the 2004 Sypris Equity Plan (“Plan”).

Intending to be legally bound by all such Terms, I acknowledge the sole authority of the Committee to interpret such Terms. I have received and had an opportunity to review, with the benefit of any legal counsel of my choosing: the Plan, the attached Terms and this Award Agreement.

**SYPRIS SOLUTIONS, INC.**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**PARTICIPANT**

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**STANDARD TERMS OF AWARDS  
GRANTED UNDER THE  
2004 SYPRIS EQUITY PLAN (“PLAN”)  
PURSUANT TO THE  
DIRECTORS COMPENSATION PROGRAM**

1. **Awards** – The “Awards” granted hereby are non-qualified Options, subject to the terms of the Plan, these Terms and an Award Agreement duly executed by the Participant and the Company.
2. **Options** – Initially, each “Option” is the right to purchase one Option Share at the Option Price, from its grant date until its Expiration Date (subject to adjustments per Article VI of the Plan). Options must be exercised with 48 hours advance written notice, unless waived by the Company.
3. **Option Price** – The “Option Price” is the closing price per Option Share on the Grant Date and is payable to the Company in cash or any other method of payment authorized by the Committee in its discretion, which may include Stock (valued as the closing price per Share on the exercise date) or vested Options (valued as the closing price per Share on the exercise date, less the Option Price), in each case in accordance with applicable Rules.
4. **Option Shares** – Initially, each “Option Share” is one Share of the Common Stock (subject to adjustments per the Plan). Option Shares may be certificated upon request, with any legends required by applicable Rules. Participants may vote, and receive dividends on, any Shares acquired upon exercise of Options.
5. **Vesting** – One hundred percent of each Award shall vest immediately on the Grant Date.
6. **Expiration Date** – Each Option’s “Expiration Date” will be the tenth anniversary of its Grant Date.
7. **No Forfeiture** – Each Option will remain exercisable through its Expiration Date regardless of any termination of services, disability or death.
8. **No Other Rights** – The Awards include no other rights beyond those expressly provided in the Plan, these Terms or the Award Agreement. Awards are non-assignable and non-transferable, except by will or the laws of descent and distribution, unless otherwise approved by the Committee.
9. **Definitions** – Unless otherwise specified, all capitalized terms herein shall have the meanings assigned to them in the Plan or in the Award Agreement.



**NON-QUALIFIED STOCK OPTION**

**AWARD AGREEMENT**

Effective as of \_\_\_\_\_, the Company hereby grants to [Employee] certain rights to purchase up to: **[# of Shares]** total Option Shares for **[\$Price]** per Share until \_\_\_\_\_ (“Expiration Date”) on the Terms of this Agreement, the attached Terms, and the 2004 Sypris Equity Plan (“Plan”) as follows.

<b>Vesting Dates</b>	<b># of Options Vesting</b>	<b>Option Prices</b>	<b>Expiration Dates</b>
[2nd Anniversary]	[20% of total]	[FMV at grant]	[8th Anniversary]
[3rd Anniversary]	[20% of total]	[FMV at grant]	[8th Anniversary]
[4th Anniversary]	[20% of total]	[FMV at grant]	[8th Anniversary]
[5th Anniversary]	[20% of total]	[FMV at grant]	[8th Anniversary]
[6th Anniversary]	[20% of total]	[FMV at grant]	[8th Anniversary]

Intending to be legally bound by all such Terms, I acknowledge the sole authority of the Committee to interpret such Terms, the forfeiture of my rights upon any termination of my employment under such Terms and my continuing status as an “at will” employee (subject to termination without cause or notice). I have received and had an opportunity to review, with the benefit of any legal counsel of my choosing the Plan, the attached Terms and this Award Agreement.

**SYPRIS SOLUTIONS, INC.**

**PARTICIPANT**

**By:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**STANDARD TERMS OF AWARDS GRANTED UNDER THE  
2004 SYPRIS EQUITY PLAN (“PLAN”)  
TO EXECUTIVE OFFICERS AND OTHER KEY EMPLOYEES IN 2005**

- Awards** – All “Awards” granted hereby will be non-qualified Options subject to, and governed by, the terms of the Plan, these Terms and a valid, executed Award Agreement.
- Options** – Initially, each “Option” is the right to purchase one Option Share at the Option Price, from its Vesting Date until its Expiration Date or forfeiture (subject to adjustments per the Plan). Options must be exercised with 48 hours advance written notice, unless waived by the Company.
- Option Price** – “Option Price” means (a) the closing price per Option Share on the grant date or (b) the Performance-Based Option Price, for Performance-Based Options. The Option Price is payable to the Company in cash or any other method of payment authorized by the Committee in its discretion, which may include Stock (valued as the closing price per Share on the exercise date) or vested Options (valued as the closing price per Share on the exercise date, less the Option Price). Similarly, the Participant must arrange for tax withholding in accordance with applicable Rules, to the satisfaction of the Committee.
- Performance-Based Option Price** – The “Performance-Based Option Price” is the highest of the Target Share Price (as defined in the Award Agreement) or the closing prices per Share, on each of the grant date and the Target Price Date.
- Option Shares** – Initially, each “Option Share” is one Share of the Common Stock (subject to adjustments per the Plan). Option Shares may be certificated upon request, with any legends required by applicable Rules. Participants may vote, and receive dividends on, any Option Shares that they own.
- Vesting** – Twenty percent of an Award shall vest on each of its second, third, fourth, fifth and sixth anniversaries of the grant date (or of the Target Price Date for Performance-Based Options) (each, a “Vesting Date”), unless forfeited before such Vesting Date.
- Expiration Date** – Each Option’s “Expiration Date” will be the eighth anniversary of its grant date or of the Target Price Date, if later. Performance-Based Options may be terminated thirty days after the Committee determines that the Participant is no longer a key employee.
- Forfeiture** – Each Option will terminate, expire and be forfeited upon the Terms of the Plan.
- Target Price Date** – The “Target Price Date” for any Performance-Based Option is the first business day following the calendar quarter in which the average market closing price equals or exceeds the Target Share Price; provided however, that no Target Price Date shall occur after the eighth anniversary of the grant

date.

**10. Leaves of Absence** – The Committee may in its discretion treat all or any portion of any period during which a Participant is on military or on an approved leave of absence as a period of employment for purposes of the accrual of rights hereunder.

**11. No Other Rights** – The Awards include no other rights beyond those expressly provided in the Plan, these Terms or the Award Agreement. Awards are non-assignable and non-transferable except by will or the laws of descent and distribution.

**12. Definitions** – Unless otherwise specified, all capitalized terms herein shall have the meanings assigned to them in the Plan or in the Award Agreement.



**PERFORMANCE-BASED STOCK OPTION**

**AWARD AGREEMENT**

Effective as of \_\_\_\_\_, the Company hereby grants to [Employee] certain rights to purchase up to: **[# of Shares]** total Option Shares for the applicable P.B.O. Option Price until \_\_\_\_\_ (“Expiration Date”) on the Terms of this Agreement, the attached Terms, and the 2004 Sypris Equity Plan (“Plan”) as follows.

Target Share Price	# of Options	Target Share Price	# of Options

Intending to be legally bound by all such Terms, I acknowledge the sole authority of the Committee to interpret such Terms, the forfeiture of my rights upon any termination of my employment under such Terms and my continuing status as an “at will” employee (subject to termination without cause or notice). I have received and had an opportunity to review, with the benefit of any legal counsel of my choosing the Plan, the attached Terms and this Award Agreement.

**SYPRIS SOLUTIONS, INC.**

**PARTICIPANT**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**STANDARD TERMS OF AWARDS GRANTED UNDER THE  
2004 SYPRIS EQUITY PLAN (“PLAN”)  
TO EXECUTIVE OFFICERS AND OTHER KEY EMPLOYEES IN 2005**

- Awards** – All “Awards” granted hereby will be non-qualified Options subject to, and governed by, the terms of the Plan, these Terms and a valid, executed Award Agreement.
- Options** – Initially, each “Option” is the right to purchase one Option Share at the Option Price, from its Vesting Date until its Expiration Date or forfeiture (subject to adjustments per the Plan). Options must be exercised with 48 hours advance written notice, unless waived by the Company.
- Option Price** – “Option Price” means (a) the closing price per Option Share on the grant date or (b) the Performance-Based Option Price, for Performance-Based Options. The Option Price is payable to the Company in cash or any other method of payment authorized by the Committee in its discretion, which may include Stock (valued as the closing price per Share on the exercise date) or vested Options (valued as the closing price per Share on the exercise date, less the Option Price). Similarly, the Participant must arrange for tax withholding in accordance with applicable Rules, to the satisfaction of the Committee.
- Performance-Based Option Price** – The “Performance-Based Option Price” is the highest of the Target Share Price (as defined in the Award Agreement) or the closing prices per Share, on each of the grant date and the Target Price Date.
- Option Shares** – Initially, each “Option Share” is one Share of the Common Stock (subject to adjustments per the Plan). Option Shares may be certificated upon request, with any legends required by applicable Rules. Participants may vote, and receive dividends on, any Option Shares that they own.
- Vesting** – Twenty percent of an Award shall vest on each of its second, third, fourth, fifth and sixth anniversaries of the grant date (or of the Target Price Date for Performance-Based Options) (each, a “Vesting Date”), unless forfeited before such Vesting Date.
- Expiration Date** – Each Option’s “Expiration Date” will be the eighth anniversary of its grant date or of the Target Price Date, if later. Performance-Based Options may be terminated thirty days after the Committee determines that the Participant is no longer a key employee.
- Forfeiture** – Each Option will terminate, expire and be forfeited upon the Terms of the Plan.
- Target Price Date** – The “Target Price Date” for any Performance-Based Option is the first business day following the calendar quarter in which the average market closing price equals or exceeds the Target Share Price; provided however, that no Target Price Date shall occur after the eighth anniversary of the grant date.
- Leaves of Absence** – The Committee may in its discretion treat all or any portion of any period during which a Participant is on military or on an approved leave of absence as a period of employment for purposes of the accrual of rights hereunder.



**11. No Other Rights** – The Awards include no other rights beyond those expressly provided in the Plan, these Terms or the Award Agreement. Awards are non-assignable and non-transferable except by will or the laws of descent and distribution.

**12. Definitions** – Unless otherwise specified, all capitalized terms herein shall have the meanings assigned to them in the Plan or in the Award Agreement.



**For more information, contact:**

**David D. Johnson**  
**Chief Financial Officer**  
**(502) 329-2000**

**For Immediate Release**

### **SYPRIS ELECTS WILLIAM G. FERKO TO BOARD OF DIRECTORS**

**LOUISVILLE, Ky. (Dec. 17, 2004)** – Sypris Solutions, Inc. (Nasdaq/NM:SYPR) announced today that it has elected William G. Ferko join its Board of Directors as a Class III director beginning January 1, 2005. Mr. Ferko will become a member of the Audit and Finance Committee and the Nominating and Governance Committee of the Board of Directors. This appointment will increase the size of the Sypris board from eight to nine members.

Since 1998, Mr. Ferko has served as the vice president and chief financial officer of Genlyte Group, Incorporated (Nasdaq/GLYT), a one billion dollar manufacturer of lighting fixtures and controls for residential, commercial and industrial markets. Genlyte is the largest company in North America dedicated exclusively to the lighting market. Prior to joining Genlyte, Mr. Ferko served in several finance positions for Tenneco Inc. and its divisions, including Tenneco Automotive, Tenneco Packaging and JI Case. He also served as the chief financial officer for Monroe Auto Equipment Co. A Wisconsin native, Mr. Ferko earned his MBA and BS in Business Management from the University of Wisconsin and holds a CPA from the State of Illinois.

Commenting on the announcement, Jeffrey T. Gill, president and chief executive officer of Sypris Solutions, said, “We are pleased to have Bill join our board. His accomplished background in finance at a variety of industrial and automotive manufacturing companies will be an excellent addition to our board.”

Sypris Solutions is a diversified provider of technology-based outsourced services and specialty products. The Company performs a wide range of manufacturing and technical services, typically under multi-year, sole-source contracts with major corporations and government agencies in the markets for aerospace and defense electronics, truck components and assemblies, and for users of test and measurement equipment. For more information about Sypris Solutions, visit its Web site at [www.sypris.com](http://www.sypris.com).

*This release, and oral statements referring hereto, contain “forward-looking statements,” from which actual results may differ materially due to factors such as: cost and supply of raw materials such as steel, components, or utilities; growth, reduction or competitive pressures in our markets; cost, efficiency and yield of our operations; our ability to improve results of acquired businesses; inventory valuation risks; product mix; changes in government or other customer programs; reliance on major customers or suppliers; revised estimates of major contract costs; dependence on management; labor relations; risks of foreign operations; currency exchange rates; costs and supply of debt, equity capital, or insurance; pension valuation risks; changes in licenses, security clearances, or other legal rights to operate, manage our work force or import and export as needed; compliance costs; regulatory actions or sanctions; litigation, including customer, creditor, stockholder, environmental or asbestos-related claims; war, terrorism or political uncertainty; disasters; unknown risks and uncertainties; or risk factors in our SEC filings.*

— END —

101 Bullitt Lane, Suite 450, Louisville, Kentucky 40222 • (502) 329-2000 • Fax (502) 329-2050 • [www.sypris.com](http://www.sypris.com)