



3rd Quarter 2016 Earnings Call

November 10, 2016

CUI Global, Inc.

NASDAQ:CUI

Presented by

William J. Clough

President & Chief Executive Officer

Daniel N. Ford

Chief Financial Officer & Chief Operating Officer,
Energy Division

Forward-Looking Statements

This document contains 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. Such statements are subject to risks and uncertainties that could cause actual results to vary materially from those projected in the forward-looking statements.

The company may experience significant fluctuations in future operating results due to a number of economic, competitive, and other factors, including, among other things, our reliance on third-party manufacturers and suppliers, government agency budgetary and political constraints, new or increased competition, changes in market demand, and the performance or reliability of our products.

These factors and others could cause operating results to vary significantly from those in prior periods, and those projected in forward-looking statements. Additional information with respect to these and other factors, which could materially affect the company and its operations, are included in certain forms the company has filed with the Securities and Exchange Commission.

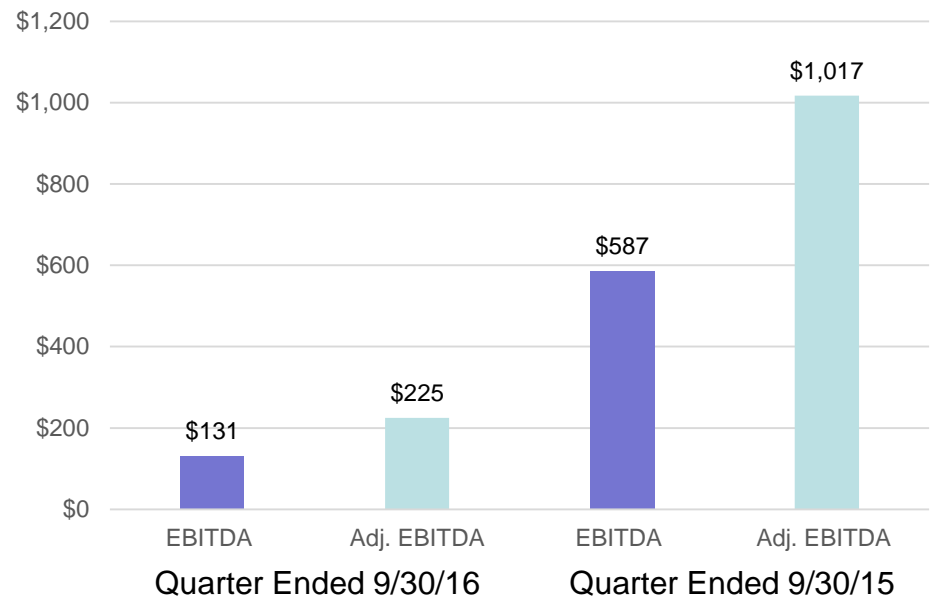
Third Quarter 2016 Summary

For the 3 Months Ended September 30,		
	<u>2016</u>	<u>2015</u>
Revenue	\$23.3M	\$24.8M
Gross Profit	\$8.6M	\$9.3M
Gross Profit %	37%	38%
SG&A (% of sales)	35%	32%
Consolidated Net (loss)	\$(0.5)M	\$(59)K
Adjusted Net income (loss)	\$(53)K	\$0.6M

- For the third quarter, total revenues were \$23.3 million, as compared to \$24.8 million in the third quarter of 2015
- Gross Profit margin was 37%, as compared to 38%
- Consolidated net loss of \$(0.5) million, or \$(0.02) per share, versus \$(59) thousand, or \$(0.00) per share
- Cash and cash equivalents were \$7.1 million
- Power and Electromechanical segment unaudited backlog was \$18.2 million as of September 30, 2016
- Energy segment unaudited backlog was \$13.4 million as of September 30, 2016

Third Quarter 2016 EBITDA Comparison

- EBITDA for the third quarter of 2016 was \$131 thousand versus EBITDA of \$587 thousand for the third quarter of 2015.
- Adjusted EBITDA for the third quarter of 2016 was \$225 thousand versus adjusted EBITDA of \$1,017 thousand for the third quarter 2015.



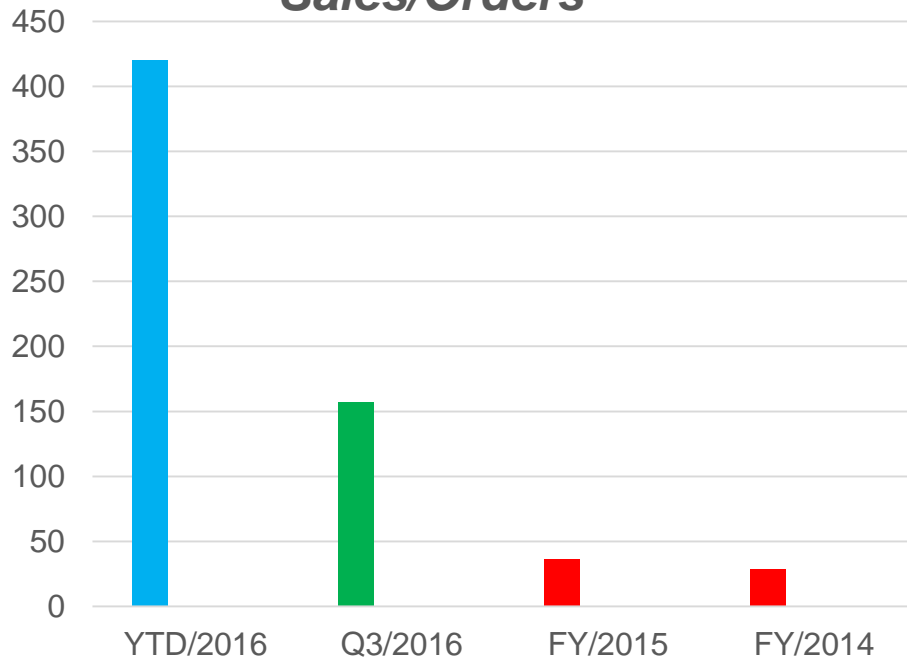
In thousands

Third Quarter 2016 Financial Overview

- Gross profit was \$8.6 million, or 37% for the quarter ended September 30, 2016 versus \$9.3 million, or 38% in the same period of 2015
 - Power and Electromechanical segment generated a gross margin of 35% for the third quarter 2016
 - Energy segment generated gross profit margins of 40% for the third quarter 2016
- SG&A increased as a percentage of revenues from 32% in Q3 2015 to 35% in Q3 2016
- The business generated positive cash flow from operations of \$1.1 million during the first nine months of 2016 versus negative cash flow from operations of \$(7.3) million during the same period in 2015
- Net loss of \$(0.5) million for the quarter ended September 30, 2016 versus a net loss of \$(59) thousand in the same period of 2015
- At September 30, 2016, CUI Global held cash and cash equivalents of \$7.1 million
- 20,906,767 common shares outstanding as of September 30, 2016 compared to 20,806,219 at December 31, 2015

GasPT[®] Sales in Q3 2016

GasPT Comparative Sales/Orders



- **YTD FY 2016:**
430
- **Q3 2016 Sales:**
157
- **FY 2015 Sales:**
36
- **FY 2014 Sales:**
29



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