



# 3<sup>rd</sup> Quarter 2019 Earnings Call

*November 12, 2019*

*CUI Global, Inc.*

***NASDAQ:CUI***

## Presented by

William J. Clough  
*Executive Chairman*

James F. O'Neil III  
*Vice Chairman and Chief Executive Officer*

Daniel N. Ford  
*Chief Financial Officer*

# SEC Disclaimer

## 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.*

# Summary Financial Highlights\*

(\$ in Millions, except percentage data)

	For the 3 months ended September 30,		For the 9 months ended September 30,	
	2019	2018	2019	2018
Total Revenues	\$6.1	\$5.2	\$17.8	\$12.9
Gross Profit	\$1.4	\$1.3	\$4.3	\$3.0
Gross Profit %	23.4%	25.6%	24.3%	23.6%
Operating Loss	\$(3.7)	\$(3.3)	\$(11.1)	\$(13.3)

## Balance Sheet and Backlog (at 9/30/19)

Cash, cash equivalents	\$1.7
Total Debt	\$0.9**
Shareholders' Equity	\$39.2
Backlog:	\$10.8
• As compared to \$15.7 million at 12/31/18	

\* In accordance with ASC 360-10 Impairment and Disposal of Long-Lived Assets and ASC 205-20 Discontinued Operations, as a result of CUI Global's divestiture of its Electromechanical components business on September 30, 2019, and the classification of the majority of the remaining assets and liabilities that comprise the Power and Electromechanical segment, as held for sale within 12 months the Company has reclassified its Power and Electromechanical segment as discontinued operations for the three and nine-month periods ended September 30, 2019 and September 30, 2018. As a result, the review of the third quarter results presented here focuses on the Company's continuing operations, which consists of its Energy segment. On November 8, 2019, the Company entered into an asset purchase agreement to sell the majority of its Power business for \$32.0 million.

\*\* Including \$0.7 million on a line of credit that is classified as liability held for sale

# Diversified Energy-centric Services – Acquisition Criteria

Companies with:

1. Positive EBITDA and margins that are better than the industry average;
2. Revenue visibility;
3. Good outlook for growth;
4. Leaders with demonstrated excellence in operations management;
5. Growth constrained by their balance sheet.

## 3Q19 Earnings:

- Webcast: [link](#)
- Transcript\*: [link](#)

\*available within 48 hours of conclusion of live call

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