This presentation about API Technologies Corp. (the “Company”) includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact, including statements regarding industry prospects or future results of the business, operations or financial position of API made in this presentation are forward-looking. We use words such as believe, expect, anticipate, intends, estimate, forecast, project, should and similar expressions to identify forward-looking statements. Forward-looking statements are based on management’s current expectations of our near-term results, based on current information available pertaining to us and are inherently uncertain. We wish to caution investors that any forward-looking statements made by or on our behalf are subject to uncertainties and other factors that could cause actual results to differ materially from such statements. These uncertainties and other risk factors include, but are not limited to: the effect of the unfavorable global, national and local economic conditions on our customers and our businesses, the effect of the current economic crisis on our ability to effect our business plans and strategies, the changing political conditions in the United States and other countries, governmental laws and regulations, anticipated government budget changes, international trading and export restrictions, customer product acceptance, and access to capital markets, and foreign currency risks. These risks and uncertainties, as well as other risks and uncertainties could cause our actual results to differ significantly from management’s expectations. New factors emerge from time to time and it is not possible for management to predict all such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or a combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We assume no obligation to update or revise any forward-looking statements made herein or any other forward-looking statements we make, whether as a result of new information, future events, or otherwise.
<table>
<thead>
<tr>
<th>Key Facts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>API Technologies Corp.</strong></td>
</tr>
<tr>
<td>Exchange/Ticker</td>
</tr>
<tr>
<td>Share Price&lt;sup&gt;(1)&lt;/sup&gt;</td>
</tr>
<tr>
<td>52-Week High / Low</td>
</tr>
<tr>
<td>Shares Outstanding</td>
</tr>
<tr>
<td>Market Cap&lt;sup&gt;(1)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Enterprise Value&lt;sup&gt;(1)&lt;/sup&gt;</td>
</tr>
<tr>
<td>LTM Revenue&lt;sup&gt;(2)&lt;/sup&gt;</td>
</tr>
<tr>
<td>LTM EBITDA&lt;sup&gt;(2)&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> August 31, 2015, last day of Q3FY15  
<sup>(2)</sup> LTM period ending August 31, 2015
Robert Tavares  
President & Chief Executive Officer  
• Appointed President and Chief Executive Officer and to API’s Board of Directors effective March 2, 2015  
• 30 years of experience in the microelectronics and semiconductor industries  
• Most recently served as President of Crane Electronics, part of Crane Co. (NYSE: CR)  
• Previous leadership roles include President of e2v U.S. Operations and various senior leadership roles at Tyco Electronics, M/A Com  
• B.S. in Engineering from the University of Massachusetts, Dartmouth

Eric Seeton  
Chief Financial Officer  
• Appointed CFO September 2015  
• Over 20 years of experience in RF/microwave and healthcare industries  
• Previously served as Business Unit Finance Director for Analog Devices (NASDAQ: ADI) and Director of Finance at Hittite Microwave Corp.  
• MBA from Cornell University and B.S. in Accounting from Bentley University
Investment Highlights

- 90% sole/primary source positions with recurring revenue streams
- Diverse catalog of highly engineered products
- One of the world’s largest RF and microwave merchant suppliers

- Consistently Adjusted EBITDA profitable
- Diverse set of revenue streams from over 300 government and industrial programs

- Significant SAM expansion – to over $7B – through introduction of new and differentiated products
- Over 25% of revenue from new standard and configurable products
• Leading provider of RF, microwave, millimeterwave, power, and security solutions for high performance defense, commercial aviation, industrial, and communications applications

• Founded in 1981; Listed on NASDAQ June 2011 with a new company vision
  
  Today, one of the largest non-Prime provider of RF/Microwave and microelectronics

• 1,975 employees worldwide

• 3,000+ customers worldwide

• Revenue breakdown\(^{(1)(2)}\)
  
  72% U.S. / 28% International
  65% Defense & Government / 35% Commercial

---

(1) LTM Ended August 31, 2015  
(2) Includes Inmet & Weinschel beginning August-ending quarter
Transformation from component supplier to strategic technology solution provider

- Analog Mixed Signal Products
- Components

- TEMPEST & Emanation Security, Encryption & Ruggedized Systems
- Sys & Subsys Solutions
- Build-to-Print Services

- Integrated & Multifunction RF Assemblies
- Microwave Filters
- Oscillators
- Power Management
- Hybrids
- Active & Passive Components
- EMI Filters
- Class K (Space)
- Secure Communications

$7.0B SAM
- Radar Subsystem Solutions
- Attenuators & Subsystems
- Radiation Hardened Power Management
- Mobile Power Solutions
- RF Systems
- RF/Microwave Modules
- Integrated & Multifunction RF Assemblies
- RF Silicon & RF Components
- GaN & Pulsed Power Amplifiers
- Microelectronics
- Custom Magnetics
- Specialty Connectors
- Rugged Power Rectifiers
- Power Distribution Units
- Secure Mobility Solutions
- FIPS Cryptographic Module

Founded 1981

June 2011 – NASDAQ Listed
<table>
<thead>
<tr>
<th>Market Segment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Department Of Defense</td>
<td>54%</td>
</tr>
<tr>
<td>Medical, Industrial &amp; Commercial Aerospace</td>
<td>22%</td>
</tr>
<tr>
<td>Commercial &amp; Communications</td>
<td>13%</td>
</tr>
<tr>
<td>Government &amp; Security</td>
<td>11%</td>
</tr>
</tbody>
</table>

- **U.S. Department Of Defense**
  - C4ISR
  - Radar
  - Military Aircraft
  - Missile Defense
  - SATCOM
  - UAVs

- **Medical, Industrial & Commercial Aerospace**
  - Medical Devices
  - Commercial Aviation
  - Alternative Energy
  - Downhole
  - Transportation

- **Commercial & Communications**
  - Mobile Devices
  - Wireless Comm.
  - Satellites
  - Enterprise systems

- **Government & Security**
  - Secure Comm.
  - Secure Access
  - Encryption

---

(1) LTM Ended August 31, 2015, (2) Includes Inmet & Weinschel beginning August-ending quarter of 2015
Strong Product Portfolio

- Systems, Subsystems & Components (SSC): 72%
- Electronics Manufacturing Services (EMS): 19%
- Secure Systems & Information Assurance (SSIA): 9%

81% of revenue is product driven

(1) LTM Ended August 31, 2015, (2) Includes Inmet & Weinschel beginning August-ending quarter of 2015
Well positioned supplier at every stage of the value chain

- SINGLE-FUNCTION ASSEMBLIES
- HYBRIDS
- COMPONENTS
- MULTI-FUNCTION ASSEMBLIES
- INTEGRATED MICROWAVE ASSEMBLIES (IMA)
- SOFTWARE / HARDWARE ENCRYPTION
- SYSTEMS & SOLUTIONS
- MULTI-CHANNEL ACTIVE ANTENNA ARRAY MODULES
- SUBSYSTEM LEVEL SOLUTIONS
Attractive Product Portfolio

**RF/Microwave & Microelectronics**
- 47%
- RF, microwave, millimeterwave, and microelectronics products for defense and commercial markets
- Examples: AESA Radar Modules, GaN Power Amps

**Electromagnetic Integrated Solutions (EIS)**
- 21%
- Passive components and RF signal conditioning, immunity, emissions and susceptibility; magnetics; and ceramics products
- Examples: EMI Filters, Circular Connectors

**Power Solutions**
- 4%
- Power control, conversion, and distribution Products; EOD Products; and systems integration
- Examples: Tactical Power, Power Monitoring

**Secure Systems & Information Assurance (SSIA)**
- 9%
- Secure communications products including TEMPEST, rugged, and secure access
- Examples: Secure, Rugged Communication Hub, Netgard®, Secure Access

**Electronic Manufacturing Services (EMS)**
- 19%
- Contract manufacturing and new product introduction services for hi-reliability
- Examples: Electronics for EW Systems, Electronics for Medical Devices

---

(1) LTM Ended August 31, 2015, (2) Includes Inmet & Weinschel beginning August-ending quarter of 2015
Key Growth Drivers

Defense

- Defense electronics CAGR of 2.3% ¹
- Battlefield miniaturization
- Radar technology & missile defense advancements
- C4ISR growth
- Information assurance
- Unmanned systems
- Foreign military sales

Commercial

- Commercial aviation CAGR of 6.1% ²
- Wireless and satellite communications
- Connected devices for medical, smart metering
- Energy demand (oil and gas, alternative energy)
- Increased competition within RF spectrum

¹ Teal Group, ² ICF International
Well Positioned Defense Supplier

C4ISR Programs
Radar Programs
Secure Communication
Electronic Warfare
Weapons Programs
Industrial Programs
Missile Programs
Classified Programs

Significant Program Diversity
- 300+ Programs
- 20+ year heritage on selected programs
- Majority are sole or primary source positions

Broad Install Base
- Incumbent supplier; Positioned well for technology refreshes, retrofits & upgrades
- 70 years of history

Preferred Supplier Status
- Strengthens competitive position
- With many of our customers we are a one-stop-shop; aids with their supply chain consolidation
Key Supplier to Satellite/Space Programs

Space heritage in commercial and military satellites spanning:

- Deep Space
- Communications
- Launch & Reentry
- Scientific Missions

MIL-PRF-38534 Class K

Only 15 facilities worldwide have MIL-PRF-38435 Class K (Space) certification. Two of them are ours.
Featured Defense Technologies

**AESA Radar System-Level Ready Solutions**
- Active Antenna Array Unit (AAAU) solution
- One opportunity alone offers $90-100 M lifetime revenue potential
- Technically advanced design offers significant competitive differentiation

**Power Amplifiers**
- Line of GaN-based pulsed and continuous power solutions
- Increased power density, reduced size and improved efficiency position us very favorably against competitors

**Portable Power Solutions**
- Mobile tactical power supply
- Used for UAV/UAS, C4ISR and Mission Control applications
Commercial & Industrial Products Meet Emerging Demands

**Commercial Aerospace**
- Cockpit controls
- Electronics for landing gear
- Fuel systems
- In-flight entertainment systems
- Lighting systems

**Medical & Industrial**
- Implantable medical devices
- Defibrillators
- MRI & mammography equipment
- Dental drills
- Industrial blenders

**Communications & Consumer**
- Mobile phone towers
- Wireless signal management equipment
- VoIP and optical networks
- Mobile news trucks
- Secure remote access

**Energy**
- Oil drilling equipment
- Power grid electronics
- Solar panels and wind turbines
- Power distribution and green energy systems
Featured Commercial Technologies

**EMI Filters**
- >50% of the world’s market share of Electromagnetic Interference (EMI) filters
- Used to protect critical systems – in medical and industrial products – in the event of electric or magnetic interference from weather/atmospheric conditions, solar flares, and nearby electronic systems

**Wireless Communication Products**
- Go-to expert for challenges related to co-site interference mitigation
- Leading provider of off-the-shelf and custom high reliability microwave filtering products
- Used in cell towers, base stations for applications including wireless communications and in-flight internet

**Remote Access Products**
- Line of award-winning commercial security products
- Used by major service providers and large financial institutions to enable third party network access since 1982
- 10+ year partnership with Avaya
Long-Standing Customer Base

- Long-standing, deep relationships built on customer collaboration
- No customer over 7.8% of LTM revenue\(^{(1)}\)\(^{(2)}\)
- 3,000+ customers
- Serve all the key defense contractors and broad range of Fortune 500 companies
- Supplier to the U.S., U.K and Canadian governments, with several cleared facilities
- Exposed to multiple end markets

\(^{(1)}\) LTM Ended August 31, 2015, \(^{(2)}\) Includes Inmet & Weinschel beginning August-ending quarter of 2015
Q3 Business Highlights

Q3 Highlights

• Acquisition of Inmet and Weinschel completed June 2015
  • Strengthens competitive position in microelectronics
  • Immediately accretive to API's cash flow and earnings
• Revenue expansion of 30% quarter-over-quarter and 19% year-over-year
• Adjusted EBITDA of $9.9 million, up $6.0 million from previous quarter
• $126.9 million in backlog
• Positive Free Cash Flow

Recent Events

• September 2015
  Appointment of new Chief Financial Officer, Eric Seeton
• June 2015
  Hire of new VP of Worldwide Sales and VP of Continuous Improvement
• March 2015
  Appointment of new Chief Executive Officer, Robert Tavares
Our Footprint

- Locations throughout the world
- Featured certifications: MIL-PRF-38534 (Class K and H), AS9100, ISO:9001
- Cleared facilities & personnel
- Dept. of State ITAR-Compliant international facilities
- International manufacturing locations are owned by API, same equipment and processes as U.S. facilities
Quarterly Revenue Trend by Segment ($M)\textsuperscript{1,2}

June 2015 acquisition of Inmet & Weinschel contributes to top-line growth and solidifies company’s position as RF/microwave and microelectronics leader.

(1) August 2015 quarter includes Inmet & Weinschel (Acquired June 2015)
(2) Quarters do not include Sensors business (Sold April 2013) and Data Bus product line (Sold July 2013), now reported as Discontinued Operations
Quarterly Adjusted EBITDA Trend ($M)$^{1,2}$

(1) August 2015 quarter includes Inmet & Weinschel (Acquired June 2015)
(2) Quarters do not include Sensors business (Sold April 2013) and Data Bus product line (Sold July 2013), now reported as Discontinued Operations
## Investment Highlights

### Assets (in $ millions)

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>$6.6</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$41.8</td>
</tr>
<tr>
<td>Inventory</td>
<td>$71.4</td>
</tr>
<tr>
<td>Other</td>
<td>$2.1</td>
</tr>
<tr>
<td><strong>Total Current</strong></td>
<td><strong>$121.9</strong></td>
</tr>
<tr>
<td>Fixed assets</td>
<td>$32.4</td>
</tr>
<tr>
<td>Goodwill, intangibles &amp; other</td>
<td>$203.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$357.6</strong></td>
</tr>
</tbody>
</table>

### Liabilities & Shareholders’ Equity (in $ millions)

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable &amp; accrued expenses</td>
<td>$42.3</td>
</tr>
<tr>
<td>Current debt</td>
<td>$20.5</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>$1.9</td>
</tr>
<tr>
<td><strong>Total Current</strong></td>
<td><strong>$64.7</strong></td>
</tr>
<tr>
<td>Long-term debt &amp; other</td>
<td>$182.4</td>
</tr>
<tr>
<td>Deferred taxes &amp; deferred gain</td>
<td>$12.5</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$259.6</strong></td>
</tr>
<tr>
<td>Total Shareholders’ Equity &amp; Other</td>
<td>$98.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$357.6</strong></td>
</tr>
</tbody>
</table>

(1) August 31, 2015
Investment Highlights

- 90% sole/primary source positions with recurring revenue streams
- Diverse catalog of highly engineered products
- One of the world’s largest RF and microwave merchant suppliers

- Consistently Adjusted EBITDA profitable
- Diverse set of revenue streams from over 300 government and industrial programs

- Significant SAM expansion – to over $7B – through introduction of new and differentiated products
- Over 25% of revenue from new standard and configurable products
Investor Relations App for iPhone®/iPad® & Android™

Twitter @apitechnologies

LinkedIn Search: API Technologies