

**Non-GAAP Financial Measure Reconciliation**  
**Sypris Solutions, Inc.**  
**December 31, 2017**

Use of Non-GAAP Financial Information:

To supplement our consolidated financial statements presented on a GAAP basis, Sypris Solutions, Inc. uses non-GAAP financial measures. We believe non-GAAP financial measures are appropriate to enhance an overall understanding of our past financial performance and also our prospects for the future. These adjustments to our current period GAAP results are made with the intent of providing both management and investors a more complete understanding of the Company's underlying operational results and trends and our marketplace performance. The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial measures prepared in accordance with generally accepted accounting principles in the United States.

<b>Reconciliation of Adjusted Operating Income (Loss)</b>				
	<u>Quarter Ended December 31, 2017</u>	<u>Year Ended December 31, 2017</u>	<u>Quarter Ended December 31, 2016</u>	<u>Year Ended December 31, 2016</u>
Operating income (loss)	\$ (1,666)	\$ (12,544)	\$ (5,694)	\$ (22,758)
Severance, relocation and other costs	125	2,360	647	1,169
<b>Adjusted operating income (loss)</b>	<b>\$ (1,541)</b>	<b>\$ (10,184)</b>	<b>\$ (5,047)</b>	<b>\$ (21,589)</b>

<b>Reconciliation of Segment Adjusted Operating Income (Loss)</b>				
	<u>Quarter Ended December 31, 2017</u>	<u>Year Ended December 31, 2017</u>	<u>Quarter Ended December 31, 2016</u>	<u>Year Ended December 31, 2016</u>
Operating income (loss):				
Sypris Technologies	\$ 213	\$ (7,459)	\$ (1,107)	\$ (8,230)
Sypris Electronics	(524)	147	(3,162)	(7,127)
General, corporate and other	(1,355)	(5,232)	(1,425)	(7,401)
	<u>\$ (1,666)</u>	<u>\$ (12,544)</u>	<u>\$ (5,694)</u>	<u>\$ (22,758)</u>
Severance, relocation and other costs:				
Sypris Technologies	\$ 125	\$ 2,360	\$ 647	\$ 1,169
Sypris Electronics	-	-	-	-
General, corporate and other	-	-	-	-
	<u>\$ 125</u>	<u>\$ 2,360</u>	<u>\$ 647</u>	<u>\$ 1,169</u>
<b>Adjusted operating income (loss):</b>				
Sypris Technologies	\$ 338	\$ (5,099)	\$ (460)	\$ (7,061)
Sypris Electronics	(524)	147	(3,162)	(7,127)
General, corporate and other	(1,355)	(5,232)	(1,425)	(7,401)
	<u>\$ (1,541)</u>	<u>\$ (10,184)</u>	<u>\$ (5,047)</u>	<u>\$ (21,589)</u>