

Contracts Were Made Possible Due to Special Accreditation that Congressman Helped the Company Obtain Last Year

Endicott, NY - Congressman Maurice Hinchey (D-NY) and Endicott Interconnect Technologies (EI) President and CEO Jay McNamara today announced that the company has been awarded two new major federal contracts from the U.S. Department of Defense (DoD) that will help retain and create upwards of 65 jobs in the Southern Tier. The contract awards are for the development and manufacturing of electronic packaging technologies for the DoD and were made possible because of a special accreditation, known as the Trusted Integrated Circuits (IC) Program, that Hinchey helped the company obtain last year.

"These contracts represent the Department of Defense's faith in Endicott Interconnect's ability to deliver quality microelectronic equipment and further demonstrate the Southern Tier's critical role in providing the capability needed to help the men and women in our armed forces do their jobs and stay safe," Hinchey said. "By creating and saving upwards of 65 jobs, this contract will also have an important, positive economic impact for those directly involved as well as the area's economy. These contract awards will help lay the groundwork for future work and job growth."

"One year ago, we received our accreditation in the DoD Trusted IC Program. Rep. Hinchey provided pivotal support to EI in helping us to navigate the accreditation review process and ultimately receiving accreditation. Membership in the Trusted IC Program played an important role in securing these multi-million dollar awards. EI would be at a tremendous disadvantage in securing high technology related military contracts without Trusted IC accreditation," stated McNamara. "We have learned of new DoD Directives requiring all Mission Assurance Category I systems to employ only trusted supplier services to fabricate their custom designs. Rep. Hinchey and his staff continue to support us by assuring that these DoD directives are carried out."

The two contract awards total \$105 million -- a \$66.1 million contract for manufacturing and \$39.5 million contract for research and development. Both contracts are modifications and expansions of existing contracts. Most of the manufacturing contract modification will be focused on producing card frame assemblies, including multi-chip modules, organic substrates and assemblies for a high reliability, high performance computing application. The balance of the award is for spares in support of program sustainment. The research and development contract modification is for phase 2 development of electronic packaging technologies, including

printed circuit boards and organic substrates for a next generation high performance computing application.

The contracts are expected to create approximately 15 new jobs at EI. These positions will be filled by engineers and scientists across multiple disciplines. In addition, the contracts are expected to retain the jobs of upwards of 50 workers at EI's Endicott facility. These contracts are imperative to EI and its workforce due to the economic downturn that started in 2008 and continued throughout 2009.

As a result of the contract awards, the electronic packaging technologies will be produced by a secure and 'trusted' supplier and will enable the U.S. military and other U.S. government users to operate with microelectronic systems that are 100 percent American-made. The DoD's awarding of the contracts to EI comes at a time when numerous U.S. based microelectronic companies have moved manufacturing offshore.

"In addition to the awarding of these two major contracts, EI has positioned itself to serve as a go-to supplier for the military and the entire federal government when it comes to securely manufacturing microelectronic devices," Hinchey said.

The Trusted IC program was established to develop and manufacture application specific integrated circuits for critical DoD microelectronic systems in a secure industrial environment. The program has been established because numerous U.S. based microelectronic companies have moved manufacturing offshore. The Trusted IC Program ensures that the DoD has access to U.S. manufactured microelectronic components for sensitive DoD projects.