Safe Harbor Statement

This presentation contains certain statements that are, or may be deemed to be, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and are made in reliance upon the protections provided by such Act for forward-looking statements. These forward-looking statements (such as when the Company describes what it "believes", "expects", or "anticipates" will occur, and other similar statements) include, but are not limited to, statements regarding future sales and operating results, future prospects, the capabilities and capacities of business operations, any financial or other guidance and all statements that are not based on historical fact, but rather reflect the Company's current expectations concerning future results and events. The ultimate correctness of these forward-looking statements is dependent upon a number of risks and events and is subject to uncertainties and other factors that may cause the Company's actual results, performance or achievements to be different from any future results, performance or achievements expressed or implied by these statements.

The following important factors, among others, could affect future results and events, causing those results and events to differ materially from those views expressed or implied in the Company’s forward-looking statements: the success of strategic initiatives aimed at driving the Company’s turnaround; the success of the Company’s efforts to enhance its core business; the Company’s ability to successfully remediate a material weakness in the Company’s internal controls; litigation and governmental investigations or proceedings arising out of or relating to accounting and financial reporting matters; business conditions and growth or contraction in the Company’s customers’ industries, the electronic manufacturing services industry and the general economy; variability of the Company’s operating results; the Company’s ability to control its material, labor and other costs; the Company’s ability to manage its assets, including inventory; the Company’s dependence on a limited number of major customers; the potential consolidation of the Company’s customer base; availability of component supplies; dependence on certain industries; variability and timing of customer requirements; technological, engineering and other start-up issues related to new programs and products, uncertainties as to availability and timing of governmental funding for the Company’s customers; the impact of government regulations, including FDA regulations; the types and mix of sales to the Company’s customers; the Company’s ability to assimilate acquired businesses and to achieve the anticipated benefits of such acquisitions; intellectual property litigation and the outcome of arbitration proceedings with the Company’s former chief executive officer; unforeseen product failures and the potential product liability claims that may be associated with such failures; the availability of capital and other economic, business and competitive factors affecting the Company’s customers, its industry and business generally; failure or breach of the Company’s information technology systems; and natural disasters. Any one or more of these risks and uncertainties could cause future results or events to differ materially from those expressed or implied in these forward-looking statements. For a further list and description of risks, relevant factors and uncertainties that could cause future results or events to differ materially from those expressed or implied in these forward-looking statements, see the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections in the Company’s most recent Annual Report on Form 10-K and the Company’s subsequently filed Securities and Exchange Commission reports.
Delivering Advanced Capabilities

For Life-Saving and Mission Critical Products
IEC Differentiators

Life Saving & Mission Critical Products

- Growing market sectors*
  - Medical - 7.4% CAGR
  - Industrial - 6.9% CAGR
  - Military - 6.2% CAGR

- Proven performance with Marquee Blue Chip customers
  - Solve complex technical challenges
  - Simplify supply chain

100% US Manufacturing

- Near-shoring trends occurring
  - Intellectual property protection
  - Supply chain risk reduction
  - Lower transportation costs

- Defense industry requirements for domestic manufacturing

- Highly responsive to volatile end market demand

$5.6B TAM
$8.2B TAM
$5.2B TAM

*Projected CAGR 2014-2019
Source: New Venture Research Corp.

Locations of IEC Current Customers
- Rochester, NY
- Newark, NY
- Albuquerque, NM

IEC Manufacturing Locations
Locations of IEC Current Customers
Turnaround Underway

Proven Leadership Performance

- Proxy Contest February 2015
  - Schlarbaum appointed CEO
  - Prior tenure 2005-2012
- Returned to profitability in Q4 15
- Re-established core business growth drivers

Note: Sales & GM from continuing operations excludes revenues of Southern California Braiding divested July 2015
Unique Capabilities

Electronic Manufacturing Solutions

Specialize in Complex Electronics and Highly Configurable Full System Assemblies

- Solving Challenges for Critical Applications where Field Failure is not an Option

- Engineering Solutions to Design New and Optimize Existing Products

- Develop Customized Stress Testing Platforms to Simulate a Product’s End Application

- Laboratories to Perform Counterfeit Component Detection & Complex Failure Analysis
Unique Capabilities

Electronic Manufacturing Solutions

Specialize in Complex Electronics and Highly Configurable Full System Assemblies

- Minimizing Supply Chain Risk Through Vertical Manufacturing

  - Complex Cable & Harness Manufacturing
  - Precision Metalworking & Design Services
  - Full System Assembly
Unique Capabilities

Electronic Manufacturing Solutions

Specialize in Complex Electronics and Highly Configurable Full System Assemblies

- Delivering Broad Array of Manufacturing Solutions

- Full System Assembly & Custom Configuration

- Logistics and Fulfillment Directly to the End Customer

- Products Such As
  - Encrypted Satellite Communication
  - Weapons Systems
  - Infusion Pumps
  - Ruggedized Industrial Controls
US Manufacturing Focus

Company Overview

- Small Business Certified
- 350,000 Square Feet of Manufacturing Space
- 800 Employees

Sample Key Customers:
- GE
- Baxter
- Lockheed Martin

Critical to DoD and Industries Averse to Offshore Production

Locations of IEC Current Customers
IEC Manufacturing Locations
High-Margin Focus in Highly Regulated Markets

Gross Margin (TTM)*

Consumer, Computing, Communications, Auto

Medical, Industrial, Aerospace & Defense

High Concentration

Mixed Portfolio

Portfolio Mix

High Concentration

* Q1 & Q2 FY 16

*Source: Yahoo Finance as of May 2016
Shifting Revenue Mix

% of Sales by Sector

Year Ended September 30, 2014

- Aerospace & Defense: 43%
- Medical: 23%
- Industrial: 28%
- Communications/Other: 6%

Year Ended September 30, 2015

- Aerospace & Defense: 38%
- Medical: 34%
- Industrial: 26%
- Communications/Other: 2%

Strategic Shift Towards More Balanced Revenue Composition; Increased Percentage of Revenue from High Growth Medical Sector
## Progress Toward Initial Goals

<table>
<thead>
<tr>
<th>Goal</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Phase I</strong></td>
<td></td>
</tr>
<tr>
<td>Unify all facilities under IEC brand and establish shared vision</td>
<td>✔️</td>
</tr>
<tr>
<td>Divest non-core underperforming West Coast operation</td>
<td>✔️</td>
</tr>
<tr>
<td>Restructure HQ facility to unlock greater efficiencies, productivity, and margin accretion</td>
<td>✔️</td>
</tr>
<tr>
<td>Launch rebranding campaign and new website</td>
<td>✔️</td>
</tr>
<tr>
<td>Reinvigorate existing customer relationships</td>
<td>✔️</td>
</tr>
<tr>
<td><strong>Phase II</strong></td>
<td></td>
</tr>
<tr>
<td>Diversify Albuquerque facility capabilities beyond aerospace/defense</td>
<td>✗</td>
</tr>
<tr>
<td>Implement new ERP system</td>
<td>✗</td>
</tr>
<tr>
<td>Reformulate new customer acquisition structure to drive organic growth</td>
<td>✗</td>
</tr>
<tr>
<td>Drive cross-selling opportunities amongst in-house verticals</td>
<td>✔️</td>
</tr>
</tbody>
</table>
FINANCIALS
### 2Q16 Highlights

Driving Improved Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended</th>
<th>Six Months Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1-Apr-16</td>
<td>27-Mar-15</td>
</tr>
<tr>
<td><strong>Sales</strong></td>
<td>$33.1</td>
<td>$31.7</td>
</tr>
<tr>
<td><strong>Cost of Goods Sold</strong></td>
<td>$27.4</td>
<td>$28.7</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>$5.7</td>
<td>$3.0</td>
</tr>
<tr>
<td>% of Sales</td>
<td>17%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Selling &amp; Admin</strong></td>
<td>$3.7</td>
<td>$6.3</td>
</tr>
<tr>
<td><strong>Restatement &amp; Related Exp.</strong></td>
<td>$0.0</td>
<td>$0.7</td>
</tr>
<tr>
<td><strong>Total SG&amp;A</strong></td>
<td>$3.8</td>
<td>$7.1</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>$2.0</td>
<td>$(4.1)</td>
</tr>
<tr>
<td>% of Sales</td>
<td>6%</td>
<td>(13%)</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$1.5</td>
<td>$(5.5)</td>
</tr>
<tr>
<td>% of Sales</td>
<td>4%</td>
<td>(17%)</td>
</tr>
</tbody>
</table>
Sales Trend

Sales increase attributable to:
• Restoring existing customer confidence
• Strong medical sector demand

YTD Q216 Sales Increased 9.3% Compared to YTD Q215

Note: Sales from continuing operations excludes revenues of Southern California Braiding divested July 2015
Gross Margin Trend

Gross margin increase attributable to:
- Improved labor efficiency
- Leveraged overhead
- Lower excess & obsolete inventory expense

Quarterly Results

Q2 2016 Gross Profit Dollars Increased 93% YoY

Note: Gross margin from continuing operations excludes revenues of Southern California Braiding divested July 2015
Net Income Trend

Turnaround Efforts Drive Return to Profitability
## Financial Priorities

<table>
<thead>
<tr>
<th>Priority</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Reinstate Profitability and Margins</strong></td>
<td>• New management returning business to industry-leading margins</td>
</tr>
</tbody>
</table>
| **2. Improve Asset Management**               | • Deliberate strategy to drive debt/EBITDA below 2X given current structure  
|                                              |   o $10M reduction in net debt YoY                                    |
|                                              |   o $2.3M reduction in inventory QoQ                                   |
| **3. Re-establish Organic Growth**            | • Enhancing relationships with current customers to capture greater share |
|                                              | • Sharpened focus on most promising new customer opportunities         |
Growth Strategy

- Continued focus on high growth sectors
  - Medical sales outpacing other sectors

- Expanding share with existing customers
  - Growth with current customers has expanded since new management took over
  - Add growth opportunities through vertical services

- Invest in enhanced sales and marketing strategies to restore organic growth

- Opportunistically evaluate inorganic growth opportunities
  - Add unique capabilities
Looking Forward

- **Restore value to IEC shareholders**
  - New management is closely aligned with existing shareholders and customers, with a clear turnaround strategy firmly in place

- **Drive organic growth**
  - Existing customers reaffirmed their partnerships with IEC and many have committed to increasing their levels of business
  - Reestablishing disciplines that drove revenue growth in past years

- **Return IEC brand to leadership position**
  - Company delivering marked improvements in 2016
  - Restore to previous operational excellence: ranked #3 Forbes Top 100 Best Small Companies in 2011, and #6 in 2012
  - Recently received Supplier Excellence Award from Harris Corporation
Thank You

Trusted Ingenuity. Proven Reliability.℠