

October 24, 2017

Dear Supplier:

LMI Aerospace is embarking on a Business Transformation journey to allow us to operate more efficiently and effectively, remain cost-competitive, and continue to meet our customers' evolving needs. This involves simplifying and standardizing our business processes – across forecasting, proposal bidding, sales order processing, planning and scheduling, supply chain management, production, inventory management, accounting and financial reporting – and implementing a common enterprise business solution.

We have selected SAP S/4 HANA as our Enterprise Resource Planning system, which will replace several disparate Manufacturing Resource Planning systems. SAP provides us the best-value solution. It also is the leading, most widely used ERP system across the Aerospace & Defense industry, ensuring better reliability and compatibility with many of our supplier and customer business systems. Hitachi Consulting is serving as our implementation partner.

To ensure a successful implementation and minimize business disruption, we are taking a phased approach starting with two pilot sites for the initial deployment, and subsequent sites following in intervals to allow us to be fully implemented in 2018. Cottonwood Falls and Fredonia are our pilot sites scheduled to “go live” November 6, 2017. Our Corporate office also will have limited implementation activity with the deployment of the SAP Finance module.

We chose this timing to avoid disruption to month-end shipments and minimize impact to the work flow starting a new month. There are risks with the deployment of any new business system, and we fully intend to maintain the current business systems as a backup; once we have established a successful startup of the SAP ERP system at implemented sites, we will phase out their existing systems.

*What can our suppliers expect?*

- *Discrete purchase orders*
- *SAP purchase order numbers will be 10 characters starting with the digits 45 (Ex. 4500000046)*
- *New look to LMI purchase order forms*

We are working to ensure pilot sites are ready to transition to the new ERP system beginning in November. We will keep you apprised as we progress on our Business Transformation journey.

Sincerely,



**Verne Wepener**  
Senior Director, Business Transformation



**Keith Schrader**  
Vice President, Operations

LMI CORPORATE HEADQUARTERS

411 Fountain Lakes Blvd - Saint Charles, Missouri 63301-4352 - United States of America

T +1 636 946 6525 - F +1 636 916 2198