TPI COMPOSITES, INC

FORM 8-K
(Current report filing)

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Address	8501 N SCOTTSDALE ROAD GAINEY CENTER II, SUITE 100 SCOTTSDALE, AZ, 85253
Telephone	480-305-8910
CIK	0001455684
Symbol	TPIC
SIC Code	3510 - Engines And Turbines
Industry	Renewable Energy Equipment & Services
Sector	Energy

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

March 16, 2017
Date of Report (Date of earliest event reported)

TPI Composites, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**001-37839**	**20-1590775**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

8501 N. Scottsdale Rd, Gainey Center II, Suite 100, Scottsdale, AZ	**85253**
(Address of principal executive offices)	(Zip Code)

Registrant’s telephone number, including area code: (480) 305-8910

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On March 16, 2017, TPI Composites, Inc. (the Company) issued a press release announcing its financial results for the three months and full year ended December 31, 2016. A copy of the Company's press release is furnished herewith as Exhibit 99.1 to this current report on Form 8-K and is incorporated by reference herein. The Company also posted a presentation to its website at www.tpicomposites.com under the tab "Investor Relations" providing information regarding its results of operations and financial condition for the three months and full year ended December 31, 2016. The information contained in the presentation is incorporated by reference herein. The presentation is being furnished herewith as Exhibit 99.2 to this current report on Form 8-K. The Company's website and the information contained therein is not part of this disclosure.

The information in Items 2.02 and 7.01 of this current report on Form 8-K (including Exhibits 99.1 and 99.3) are being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in Item 2.02 and 7.01 of this current report on Form 8-K (including Exhibits 99.1 and 99.3) shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

Item 7.01. REGULATION FD DISCLOSURE

The information set forth under Item 2.02 of this current report on Form 8-K is incorporated by reference as if fully set forth herein.

On March 16, 2017, the Company issued a press release announcing it has entered an agreement to supply Proterra Inc. with composite bus bodies for its Catalyst transit vehicles. A copy of the Company's press release is furnished herewith as Exhibit 99.3 to this current report on Form 8-K and is incorporated by reference herein.

The information in Exhibit 99.3 of this current report on Form 8-K is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in Item 7.01 of this current report on Form 8-K (including Exhibit 99.3) shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

Item 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

99.1 – Press Release dated March 16, 2017
99.2 – Presentation dated March 17, 2017
99.3 – Press Release dated March 16, 2017

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PI COMPOSITES, INC.

March 16, 2017

By: /s/ William E. Siwek

William E. Siwek
Chief Financial Officer

TPI Composites, Inc. Announces Fourth Quarter and Full Year 2016 Earnings Results

SCOTTSDALE, Ariz., March 16, 2017 (GLOBE NEWSWIRE) -- TPI Composites, Inc. (Nasdaq:TPIC), the largest U.S.-based independent manufacturer of composite wind blades, today reported financial results for the fourth quarter and full year ended December 31, 2016.

Highlights

For the quarter ended December 31, 2016:

- Net sales of $185.6 million
- Total billings of $197.6 million
- Net loss attributable to common shareholders of $2.3 million or $0.07 per diluted share
- EBITDA of $12.5 million, with an EBITDA margin of 6.7%
- Adjusted EBITDA of $14.3 million, with an Adjusted EBITDA margin of 7.7%

For the full year 2016:

- Net sales of $754.9 million
- Total billings of $764.4 million
- Net income attributable to common shareholders of $8.4 million or $0.48 per share on a fully-diluted basis. Net income was $13.8 million, or $0.41 per fully diluted share assuming that all shares from the Company's IPO had been outstanding since January 1, 2016
- EBITDA increased to $55.5 million, with an EBITDA margin of 7.4%
- Adjusted EBITDA of $66.2 million, with an Adjusted EBITDA margin of 8.8%

KPIs	Q4'16	Q4'15	FY 16	FY 15
Sets^	541	527	2,154	1,609
Estimated megawatts²	1,234	1,191	4,920	3,595
Dedicated manufacturing lines³	44	34	44	34
Manufacturing lines installed[4]	33	30	33	30
Manufacturing lines in startup[5]	3	2	3	10
Manufacturing lines in transition[6]	-	7	-	11

1. Number of wind blade sets (which consist of three wind blades) invoiced worldwide in the period.
2. Estimated megawatts of energy capacity to be generated by wind blade sets invoiced in the period.
3. Number of manufacturing lines that are dedicated to our customers under long-term supply agreements.
4. Number of manufacturing lines installed and either in operation, startup or transition.
5. Number of manufacturing lines in a startup phase during the pre-production and production ramp-up period.
6. Number of manufacturing lines that were being transitioned to a new wind blade model during the period.

"We delivered strong operational and financial performance closing out the year with solid fourth quarter and full year 2016 results as we finished ahead of our 2016 financial guidance for total billings," said Steven Lockard, TPI Composites' President and Chief Executive Officer. "We remain focused on our strategy to grow globally, diversify among our customer base and expand profitability. Today, we reaffirm our target of 25% average annual top line growth for the next few years. We currently have $3.9 billion of revenue under long-term contracts covering 43 molds and a strong, global pipeline of opportunities to support our growth target."

"Last quarter, we discussed the fact that GE had announced their intention to purchase LM Wind Power, our largest competitor. GE recently stated that it expects this transaction to close in the second quarter of 2017. Our contracts with GE in Iowa and Mexico remain in effect through 2020; however, the contracts with GE in China and Turkey are due to expire at the end of 2017."

"We are still in discussions with GE regarding a potential extension of the GE China supply agreement but we have agreed with GE not to extend the Turkey supply agreement. We expect to backfill the three Turkey mold slots with two larger blade models for a different customer. We expect to enter into a supply agreement with this customer in either the first or second quarter of this year with the ability to begin production in early 2018."

"With respect to the GE China supply agreement, we expect to reach an agreement in the second quarter to either extend the supply agreement or, if necessary, backfill the four molds from our demand pipeline in China."

"Finally, outside of our wind business, TPI continues to demonstrate additional commercial capabilities for our composites expertise, and is gaining traction in our effort to build a transportation business. We recently signed a supply agreement to manufacture composite bus bodies for Proterra, a leading supplier of zero-emission buses. TPI also recently signed two new confidential automotive development programs for advanced vehicle applications. These applications will be produced and delivered out of our New England facilities. We remain focused on our commitment to grow, improve our operational effectiveness, expand margins and continue to drive down the levelized cost of energy," concluded Mr. Lockard.

Fourth Quarter 2016 Financial Results

Net sales for the three months ended December 31, 2016 increased by $6.6 million or 3.7% to $185.6 million compared to $178.9 million in the same period in 2015. The increase was driven by a 7.0% increase in average selling price per blade and a 0.7% increase in the number of wind blades delivered in the three months ended December 31, 2016 compared to the same period in 2015. The increased blade volume was from our plants in the U.S. and Mexico, partially offset by lower volume in EMEA. The increase in net sales was partially offset by foreign currency fluctuations in Turkey and China. Total billings for the three months ended December 31, 2016 increased by $7.4 million or 3.9% to $197.6 million compared to $190.3 million in the same period in 2015. The impact of the strengthening of the U.S. dollar against the Euro at our Turkey operations and the Chinese Renminbi at our China operations on consolidated net sales and total billings were reductions of 1.6% and 1.4%, respectively, for the three months ended December 31, 2016.

Total cost of goods sold for the three months ended December 31, 2016 was $166.5 million and included aggregate costs of $6.7 million related to startup costs in our new plants in Mexico and Turkey. This compares to total cost of goods sold for the three months ended December 31, 2015 of $157.7 million, including aggregate costs of $0.3

million related to the transition of wind blades in our Dafeng, China plant. Cost of goods sold as a percentage of net sales of wind blades increased by 2.7% during the three months ended December 31, 2016 as compared to the same period in 2015, driven by the increase in startup costs and partially offset by improved operating efficiencies globally and the impact of savings in raw material costs. Similar to the impact to net sales above, the impact of the strengthening of the U.S. dollar against the Euro, Turkish Lira, Mexican Peso and Chinese Renminbi reduced consolidated cost of goods sold by 4.1% for three months ended December 31, 2016.

General and administrative expenses for the three months ended December 31, 2016 totaled $9.7 million as compared to $4.6 million for the same period in 2015. As a percentage of net sales, general and administrative expenses were 5.2% for the three months ended December 31, 2016, up from 2.6% in the same period in 2015. The increase was primarily driven by share-based compensation of $1.5 million recorded in the 2016 period (none was recorded in 2015) as well as additional costs incurred to enhance our corporate support functions to support our growth and public company governance.

The net loss for the three months ended December 31, 2016 was $2.3 million, as compared to net income of $11.5 million in the same period in 2015.

The net loss attributable to common shareholders was $2.3 million during the three months ended December 31, 2016, compared to net income attributable to common shareholders of $9.1 million in the same period in 2015. This was primarily due to the expected higher startup costs in 2016 and the write off of $4.5 million of deferred financing costs and prepayment penalties related to the refinancing of our credit facility. Diluted loss per share was $0.07 for the three months ended December 31, 2016 compared to earnings per share of $2.15 for the three months ended December 31, 2015.

EBITDA for three months ended December 31, 2016 decreased to $12.5 million, compared to $19.3 million during the same period in 2015. The EBITDA margin fell to 6.7% compared to 10.8% in the 2015 period. Adjusted EBITDA for three months ended December 31, 2016 decreased to $14.3 million compared to $19.5 million during the same period a year ago. The Adjusted EBITDA margin fell to 7.7%, compared to 10.9% during the same period a year ago. The decreases above in both the absolute amounts and as percentages of net sales were primarily driven by higher startup costs.

Capital expenditures increased to $11.6 million for three months ended December 31, 2016 from $1.2 million during the same period a year ago. Capex is primarily related to new facilities or facility expansions and related machinery and equipment.

Net debt as of December 31, 2016 improved to $6.4 million from $90.7 million as of December 31, 2015. The reduction was primarily a result of the completion of our IPO in July 2016 and the repayment of certain debt with cash flows from operations, partially offset by an increase in financing related to our new facilities in Mexico and Turkey.

2017 Outlook
For 2017, the Company expects:

- Total billings of between $930 million and $950 million (1)
- Sets delivered of between 2,800 and 2,900
- Average sales price per blade of between $105,000 and $110,000
- Estimated megawatts of sets delivered to be between 6,350 and 6,600
- Dedicated manufacturing lines under long-term agreements at year end to be between 52 to 56
- Manufacturing lines installed at year end to be 40
- Manufacturing lines in transition during the year to be 5
- Manufacturing lines in startup during the year to be 15
- Startup and transition cost of between $30 million and $40 million
- Capital expenditures to be between $75 million and $85 million (approx. 85% growth related)
- Effective tax rate to be between 20% and 25%
- Depreciation and amortization of between $23 million and $25 million
- Interest expense of between $11 million and $12 million
- Income tax expense of between $8 million and $10 million
- Share-based compensation of between $9.5 million and $10.5 million

(1) We have not reconciled our expected total billings to expected net sales as calculated under GAAP because we have not yet finalized calculations necessary to provide the reconciliation, including the expected change in deferred revenue, and as such the reconciliation is not possible without unreasonable efforts.

Conference Call and Webcast Information
TPI Composites will host an investor conference call tomorrow morning, March 17, 2017 at 8:00am ET. Interested parties are invited to listen to the conference call which can be accessed live over the phone by dialing 1-877-407-3982, or for international callers, 1-201-493-6780. A replay will be available two hours after the call and can be accessed by dialing 1-844-512-2921, or for international callers, 1-412-317-6671. The passcode for the live call and the replay is 13656821. The replay will be available until March 24, 2017. Interested investors and other parties may also listen to a simultaneous webcast of the conference call by logging onto the Investor Relations section of the Company's website at www.tpicomposites.com. The online replay will be available for a limited time beginning immediately following the call.

About TPI Composites, Inc.
TPI Composites, Inc. is the largest U.S.-based independent manufacturer of composite wind blades for the wind energy market. TPI delivers high-quality, cost-effective composite solutions through long term relationships with leading wind turbine manufacturers. TPI is headquartered in Scottsdale, Arizona and operates factories throughout the U.S., Mexico, China and Turkey.

Forward-Looking Statements
This release contains forward-looking statements which are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements, among other things, concerning: effects on our financial statements and our financial outlook; our business strategy, including anticipated trends and developments in and management plans for our business and the wind industry and other markets in which we operate; our projected annual revenue growth; our ability to backfill molds with respect to GE supply contracts that are not renewed; competition; future financial results, operating results, revenues, gross margin, operating expenses, products, projected costs, warranties, our ability to improve our operating margins, and capital expenditures. These forward-looking statements are often characterized by the use of words such as "estimate," "expect," "anticipate," "project," "plan," "intend," "seek," "believe," "forecast," "foresee," "likely," "may," "should," "goal," "target," "might," "will," "could," "predict," "continue" and the negative or plural of these words and other comparable terminology. Forward-looking statements are only predictions based on our current expectations and our projections about future events. You should not place undue reliance on these forward-looking statements. We undertake no obligation to update any of these forward-looking statements for any reason. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from those expressed or implied by these statements. These factors include, but are not limited to, the matters discussed in "Risk Factors," in our Annual Report on Form 10-K and other reports that we will file with the SEC.

Non-GAAP Definitions
This press release includes unaudited non-GAAP financial measures, including total billings, EBITDA, adjusted EBITDA, net debt and free cash flow. We define total billings

as total amounts billed from products and services that we are entitled to payment and have billed under the terms of our long-term supply agreements or other contractual arrangements. We define EBITDA as net income plus interest expense (including losses on extinguishment of debt and net of interest income), income taxes and depreciation and amortization. We define adjusted EBITDA as EBITDA plus any share-based compensation expense plus or minus any gains or losses from foreign currency transactions. We define net debt as the total principal amount of debt outstanding less unrestricted cash and equivalents. We define free cash flow as net cash flow generated from operating activities less capital expenditures. We present non-GAAP measures when we believe that the additional information is useful and meaningful to investors. Non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with GAAP. See below for a reconciliation of certain non-GAAP financial measures to the comparable GAAP measures.

TPI COMPOSITES, INC. AND SUBSIDIARIES
TABLE ONE - CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

(in thousands, except per share amounts)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Year Ended December 31, 2016	Year Ended December 31, 2015
Net sales	$ 185,574	$ 178,946	$ 754,877	$ 585,852
Cost of sales	159,849	157,423	659,745	528,247
Startup and transition costs	6,678	314	18,127	15,860
Total cost of goods sold	166,527	157,737	677,872	544,107
Gross profit	19,047	21,209	77,005	41,745
General and administrative expenses	9,738	4,596	33,892	14,126
Income from operations	9,309	16,613	43,113	27,619
Other income (expense):				
Interest income	268	12	344	161
Interest expense	(4,905)	(3,671)	(17,614)	(14,565)
Loss on extinguishment of debt	(4,487)	-	(4,487)	-
Realized loss on foreign currency remeasurement	(57)	(181)	(757)	(1,802)
Miscellaneous income (expense)	46	(54)	238	246
Total other expense	(9,135)	(3,894)	(22,276)	(15,960)
Income before income taxes	174	12,719	20,837	11,659
Income tax provision	(2,430)	(1,243)	(6,995)	(3,977)
Net income (loss)	(2,256)	11,476	13,842	7,682
Net income attributable to preferred shareholders	-	2,356	5,471	9,423
Net income (loss) attributable to common shareholders	$ (2,256)	$ 9,120	$ 8,371	$ (1,741)
Weighted-average common shares outstanding:				
Basic	33,737	4,238	17,530	4,238
Diluted	33,737	4,244	17,616	4,238
Net income (loss) per common share:				
Basic	$ (0.07)	$ 2.15	$ 0.48	$ (0.41)
Diluted	$ (0.07)	$ 2.15	$ 0.48	$ (0.41)
Non-GAAP Measures:				
Total billings	$ 197,645	$ 190,270	$ 764,424	$ 600,107
EBITDA	$ 12,492	$ 19,323	$ 55,491	$ 37,479
Adjusted EBITDA	$ 14,334	$ 19,504	$ 66,150	$ 39,281

TPI COMPOSITES, INC. AND SUBSIDIARIES
TABLE TWO - CONDENSED CONSOLIDATED BALANCE SHEETS

($ in thousands)	December 31, 2016	December 31, 2015
Current assets:		
Cash and cash equivalents	$ 119,066	$ 45,917
Restricted cash	2,259	1,760

Accounts receivable	67,842	72,913
Inventories	53,095	50,841
Inventories held for customer orders	52,308	49,594
Prepaid expenses and other current assets	30,657	31,337
Total current assets	325,227	252,362
Noncurrent assets:		
Property, plant, and equipment, net	91,166	67,732
Other noncurrent assets	20,813	9,826
Total assets	$ 437,206	$ 329,920
Current liabilities:		
Accounts payable and accrued expenses	$ 112,281	$ 101,108
Accrued warranty	19,912	13,596
Deferred revenue	69,568	65,520
Customer deposits and customer advances	1,390	8,905
Current maturities of long-term debt	33,403	52,065
Total current liabilities	236,554	241,194
Noncurrent liabilities:		
Long-term debt, net of debt issuance costs, discount and current maturities	89,752	77,281
Other noncurrent liabilities	4,393	3,812
Total liabilities	330,699	322,287
Preferred shares and warrants	-	198,830
Shareholders' equity (deficit)	106,507	(191,197)
Total liabilities and shareholders' equity (deficit)	$ 437,206	$ 329,920
Non-GAAP Measure:		
Net debt	$ 6,379	$ 90,667

TPI COMPOSITES, INC. AND SUBSIDIARIES
TABLE THREE - CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Three Months Ended December 31,		Year Ended December 31,	
($ in thousands)	**2016**	**2015**	**2016**	**2015**
Net cash provided by operating activities	$ 25,865	$ 27,783	$ 53,841	$ 31,293
Net cash used in investing activities	(11,590)	(1,054)	(30,507)	(26,215)
Net cash provided by (used in) financing activities	(1,041)	12,298	51,330	(2,423)
Impact of foreign exchange rates on cash and cash equivalents	(970)	(67)	(1,515)	(330)
Cash and cash equivalents, beginning of period	106,802	6,957	45,917	43,592
Cash and cash equivalents, end of year	$ 119,066	$ 45,917	$ 119,066	$ 45,917

TPI COMPOSITES, INC. AND SUBSIDIARIES
TABLE FOUR - RECONCILIATION OF NON-GAAP MEASURES
(UNAUDITED)

Total billings is reconciled as follows:	Three Months Ended December 31,		Year Ended December 31,	
($ in thousands)	**2016**	**2015**	**2016**	**2015**
Net sales	$ 185,574	$ 178,946	$ 754,877	$ 585,852
Change in deferred revenue:				
Blade-related deferred revenue at beginning of period (1)	(61,949)	(56,089)	(65,520)	(59,476)

Blade-related deferred revenue at end of period (1)	69,568	65,520	69,568	65,520
Foreign exchange impact (2)	4,452	1,893	5,499	8,211
Change in deferred revenue	12,071	11,324	9,547	14,255
Total billings	$ 197,645	$ 190,270	$ 764,424	$ 600,107

EBITDA and adjusted EBITDA are reconciled as follows:

($ in thousands)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Year Ended December 31, 2016	Year Ended December 31, 2015
Net income (loss)	$ (2,256)	$ 11,476	$ 13,842	$ 7,682
Adjustments:				
Depreciation and amortization	3,194	2,945	12,897	11,416
Interest expense (net of interest income)	4,637	3,659	17,270	14,404
Loss on extinguishment of debt	4,487	-	4,487	-
Income tax provision	2,430	1,243	6,995	3,977
EBITDA	12,492	19,323	55,491	37,479
Share-based compensation expense	1,785	-	9,902	-
Realized loss on foreign currency remeasurement	57	181	757	1,802
Adjusted EBITDA	$ 14,334	$ 19,504	$ 66,150	$ 39,281

Free cash flow is reconciled as follows:

($ in thousands)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Year Ended December 31, 2016	Year Ended December 31, 2015
Net cash provided by operating activities	$ 25,865	$ 27,783	$ 53,841	$ 31,293
Capital expenditures	(11,590)	(1,200)	(30,507)	(26,361)
Free cash flow	$ 14,275	$ 26,583	$ 23,334	$ 4,932

Net debt is reconciled as follows:

($ in thousands)	December 31, 2016	December 31, 2015
Total debt, net of debt issuance costs and discount	$ 123,155	$ 129,346
Add debt issuance costs	2,290	4,220
Add discount on debt	-	3,018
Less cash and cash equivalents	(119,066)	(45,917)
Net debt	$ 6,379	$ 90,667

(1) Total billings is reconciled using the blade-related deferred revenue amounts at the beginning and the end of the period as follows:

($ in thousands)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Year Ended December 31, 2016	Year Ended December 31, 2015
Blade-related deferred revenue at beginning of period	$ 61,949	$ 56,089	$ 65,520	$ 59,476
Non-blade related deferred revenue at beginning of period	-	-	-	-
Total current and noncurrent deferred revenue at beginning of period	$ 61,949	$ 56,089	$ 65,520	$ 59,476
Blade-related deferred revenue at end of period	$ 69,568	$ 65,520	$ 69,568	$ 65,520
Non-blade related deferred revenue at end of period	-	-	-	-
Total current and noncurrent deferred revenue at end of period	$ 69,568	$ 65,520	$ 69,568	$ 65,520

(2) Represents the effect of the difference in the exchange rate used by our various foreign subsidiaries on the invoice date versus the exchange rate used at the period-end balance sheet date.

Investor Relations
480-315-8742
investors@TPIComposites.com

EXHIBIT 99.2

Q4 2016 Earnings Call

March 17, 2017

tpi COMPOSITES

Legal Disclaimer

This presentation contains forward-looking statements within the meaning of the federal securities laws. All statements other than statements of historical facts contained in this presentation, including statements regarding our future results of operations and financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. In many cases, you can identify forward-looking statements by terms such as "may," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these terms or other similar words. Forward-looking statements contained in this presentation include, but are not limited to, statements about (i) growth of the wind energy market and our addressable market; (ii) the potential impact of GE's pending acquisition of LM Wind Power upon our business; (iii) our future financial performance, including our net sales, cost of goods sold, gross profit or gross margin, operating expenses, ability to generate positive cash flow, and ability to achieve or maintain profitability; (iv) the sufficiency of our cash and cash equivalents to meet our liquidity needs; (v) our ability to attract and retain customers for our products, and to optimize product pricing; (vi) competition from other wind blade manufacturers; (vii) the discovery of defects in our products; (viii) our ability to successfully expand in our existing markets and into new international markets; (ix) worldwide economic conditions and their impact on customer demand; (x) our ability to effectively manage our growth strategy and future expenses; (xi) our ability to maintain, protect and enhance our intellectual property; (xii) our ability to comply with existing, modified or new laws and regulations applying to our business; and (xiii) the attraction and retention of qualified employees and key personnel.

These forward-looking statements are only predictions. These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other important factors that may cause our actual results, levels of activity, performance or achievements to materially differ from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as guarantees of future events. Further information on the factors, risks and uncertainties that could affect our financial results and the forward-looking statements in this presentation are included in our filings with the Securities and Exchange Commission and will be included in subsequent periodic and current reports we make with the Securities and Exchange Commission from time to time, including in our Annual Report on Form 10-K for the year ended December 31, 2016.

The forward-looking statements in this presentation represent our views as of the date of this presentation. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we undertake no obligation to update any forward-looking statement to reflect events or developments after the date on which the statement is made or to reflect the occurrence of unanticipated events except to the extent required by applicable law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date after the date of this presentation. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make.

This presentation includes unaudited non-GAAP financial measures including total billings, EBITDA, adjusted EBITDA, net debt and free cash flow. We define total billings as the total amounts we have invoiced our customers for products and services for which we are entitled to payment under the terms of our long term supply agreements or other contractual agreements. We define EBITDA as net income (loss) attributable to the Company plus interest expense (including losses on the extinguishment of debt and net of interest income), income taxes and depreciation and amortization. We define Adjusted EBITDA as EBITDA plus any share-based compensation expense, plus or minus any gains or losses from foreign currency remeasurement. We define net debt as the total principal amount of debt outstanding less unrestricted cash and equivalents. We define free cash flow as net cash flow generated from operating activities less capital expenditures. We present non-GAAP measures when we believe that the additional information is useful and meaningful to investors. Non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with GAAP. See the appendix for the reconciliations of certain non-GAAP financial measures to the comparable GAAP measures.

This presentation also contains estimates and other information concerning our industry that are based on industry publications, surveys and forecasts. This information involves a number of assumptions and limitations, and we have not independently verified the accuracy or completeness of the information.

Agenda

- 2016 Highlights
- Industry Update
- Q4 and Full Year 2016 Financial Highlights
- Guidance for 2017
- Q&A
- Appendix - Non-GAAP Information

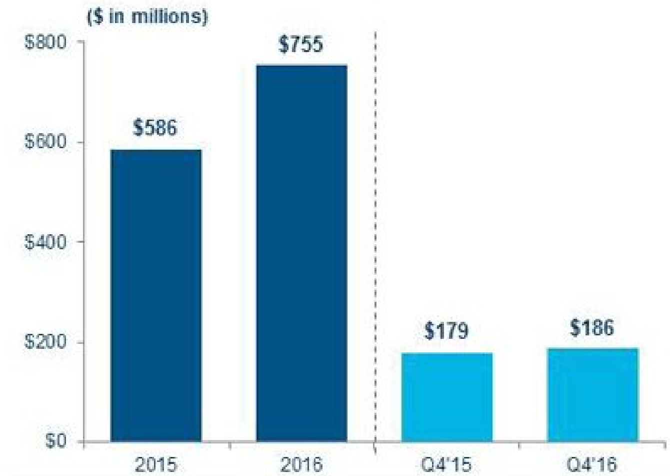
2016 Highlights

2016 Highlights

2016 Highlights and Recent Company News

- Operating results and year-over-year increases compared to the fourth quarter 2015 and full year 2015
  - Net sales were up 28.9% for the year
  - Total billings were up 27.4% to $764.4 million for the year ahead our guided range of $750 to $760 million.
  - Net income for the year increased to $13.8 million versus $7.7 million in 2015
  - Adjusted EBITDA for the year increased to $66.2 million
  - Adjusted EBITDA margin for the year was up 210bps to 8.8%
- Signed an agreement to build composite bus bodies for Proterra, a leading supplier of zero-emission electric buses

GAAP Net Sales



	2015	2016	Q4'15	Q4'16
Sets	1,609	2,154	527	541
Est. MW	3,595	4,920	1,191	1,234
Dedicated lines[1]	34	44	34	44
Lines installed[2]	30	33	30	33

(1) Number of manufacturing lines dedicated to our customers under long-term supply agreements
(2) Number of manufacturing lines installed that are either in operation, startup or transition

Existing Contracts Provide for up to $3.9 Billion in Revenue through 2023

Long-term Supply Agreements

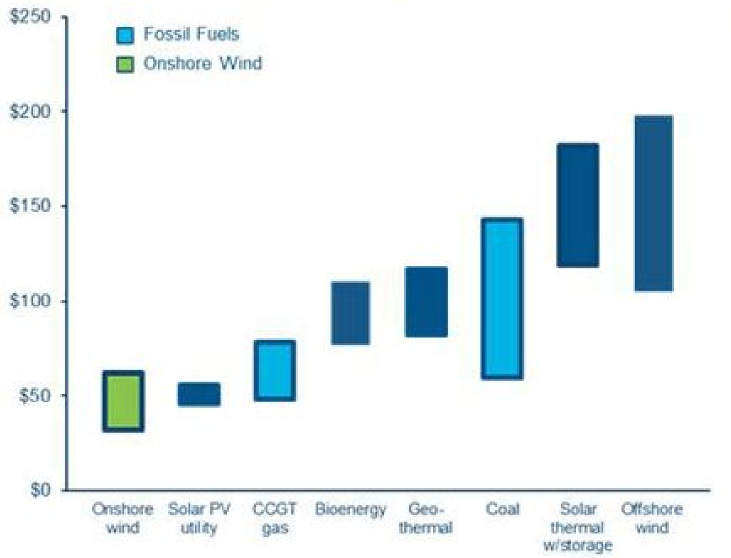
Long-term supply agreements provide for estimated minimum aggregate volume commitments from our customers of $2.6 billion and encourage our customers to purchase additional volume up to, in the aggregate, an estimated total contract value of up to $3.9 billion through the end of 2023[(1)]

Note: Our contracts with some of our customers are subject to termination or reduction on short notice, generally with substantial penalties, and contain liquidated damages provisions, which may require us to make unanticipated payments to our customers or our customers to make payments to us.

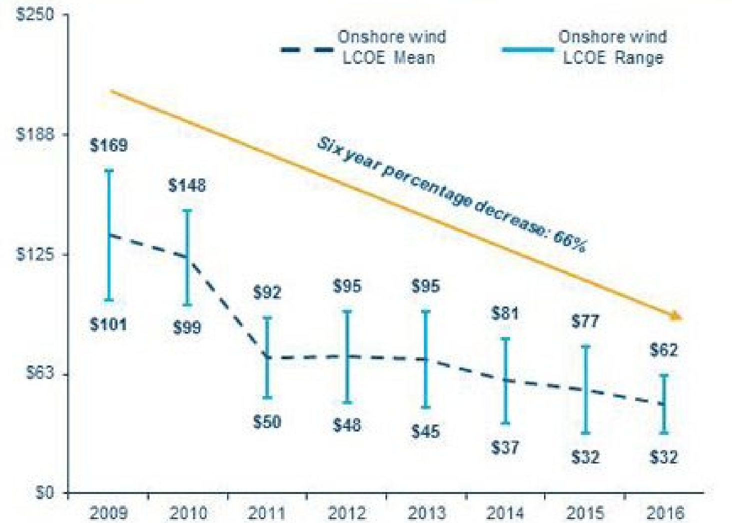
(1) As of March 16, 2017. The chart depicts the term of the longest contract in each location.

Declining LCOE Allows Wind Energy to be More Competitive with Conventional Power Generation

Unsubsidized Levelized Cost of Power Generation Ranges by Technology ($/MWh)



Global Onshore Wind LCOE Over Time ($/MWh)



Source: Lazard Levelized Cost of Energy Analysis (version 10.0).

Industry Update

- 54.6GW of wind installed globally in 2016 (1)
- Global onshore grid-connected demand estimated to be over 60GW per year from 2017 through 2026(2)
- 8.2GW of wind installed in the U.S. in 2016 – our customers had a combined market share of 90% (3)
- At the end of the fourth quarter, there were over 18.3GW of wind either under construction or in advanced stages of development in the U.S. (3)
    - Estimated onshore annual gird-connected demand through 2021 of 9.5GW in the U.S. market (2)
- Commercial and Industrial segment driving additional demand in the U.S. – nearly 20% or 1.6GW in the U.S. in 2016
- Repowering expected to comprise an increasing share of annual growth through 2026
    - Near-term growth concentrated in Europe and North America, primarily in the U.S. where asset owners are aiming to take advantage of an opportunity to extend production tax credits

(1) Source: GWEC – Global Wind Statistics 2016, February 2, 2017
(2) Source: MAKE Consulting – Q4 2016 Global Wind Power Market Update AND q1/2017 – Global Wind Power Market Outlook Update
(3) Source: AWEA – U.S. Wind Industry Fourth Quarter 2016 Market Report

Q4 and Full Year 2016 Financial Highlights

Q4 2016 and Full Year 2016 Financial Highlights

(unaudited)

(Dollars in millions, except per share data)	Q4 2016	Q4 2015	Δ	2016	2015	Δ
Select Financial Data						
Net Sales	$185.6	$178.9	*3.7%*	$754.9	$585.9	*28.9%*
Total Billings [1]	$197.6	$190.3	*3.9%*	$764.4	$600.1	*27.4%*
Net Income (Loss)	($2.3)	$11.5	*NM*	$13.8	$7.7	*80.2%*
Adjusted EBITDA [1]	$14.3	$19.5	*(26.5%)*	$66.2	$39.3	*68.4%*
Adjusted EBITDA Margin	*7.7%*	*10.9%*	*(320bps)*	*8.8%*	6.7%	*210bps*
Diluted Earnings per Share [2]	($0.07)	$2.15	*($2.22)*	$0.48	($0.41)	*$0.89*
Net Debt [1]	$6.4	$90.7	*($84.3)*	$6.4	$90.7	*($84.3)*
Free Cash Flow [1]	$14.3	$26.6	*($12.3)*	$23.3	$4.9	*$18.4*
Capital Expenditures	$11.6	$1.2	*$10.4*	$30.5	$26.4	*$4.1*
Key Performance Indicators						
Sets	541	527	*14*	2,154	1,609	*545*
Estimated Megawatts	1,234	1,191	*43*	4,920	3,595	*1,325*
Dedicated Manufacturing Lines	44	34	*10 lines*	44	34	*10 lines*
Lines Installed	33	30	*3 lines*	33	30	*3 lines*
Lines in Startup	3	2	*1 line*	3	10	*7 lines*
Lines in Transition	0	7	*7 lines*	0	11	*11 lines*

(1) See pages 18 – 20 for reconciliations of non-GAAP financial data
(2) Based on net income (loss) attributable to common shareholders

Income Statement Summary

(unaudited)

	Year Ended December 31, 2016	Year Ended December 31, 2015	Change $	Change %	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Change $	Change %
(in thousands, except per share amounts)								
Net sales	$ 754,877	$ 585,852	$ 169,025	28.9%	$ 185,574	$ 178,946	$ 6,628	3.7%
Gross profit	$ 77,005	$ 41,745	$ 35,260	84.5%	$ 19,047	$ 21,209	$ (2,162)	-10.2%
Gross profit %	10.2%	7.1%		310 bps	10.3%	11.9%		-160 bps
General and administrative expenses	$ 33,892	$ 14,126	$ 19,766	139.9%	$ 9,738	$ 4,596	$ 5,142	111.9%
General and administrative expenses %	4.5%	2.4%		210 bps	5.2%	2.6%		260 bps
Income from operations	$ 43,113	$ 27,619	$ 15,494	56.1%	$ 9,309	$ 16,613	$ (7,304)	-44.0%
Income before income taxes	$ 20,837	$ 11,659	$ 9,178	78.7%	$ 174	$ 12,719	$ (12,545)	-98.6%
Net income (loss)	$ 13,842	$ 7,682	$ 6,160	80.2%	$ (2,256)	$ 11,476	$ (13,732)	-119.7%
Net income attributable to preferred shareholders	$ 5,471	$ 9,423	$ (3,952)	-41.9%	$ -	$ 2,356	$ (2,356)	-100.0%
Net income (loss) attributable to common shareholders	$ 8,371	$ (1,741)	$ 10,112	NM	$ (2,256)	$ 9,120	$ (11,376)	-124.7%
Weighted-average common shares outstanding:								
Basic	17,530	4,238			33,737	4,238		
Diluted	17,616	4,238			33,737	4,244		
Net income (loss) per common share:								
Basic	$ 0.48	$ (0.41)	$ 0.89		$ (0.07)	$ 2.15	$ (2.22)	
Diluted	$ 0.48	$ (0.41)	$ 0.89		$ (0.07)	$ 2.15	$ (2.22)	
Non-GAAP Metrics								
Total billings (1)	$ 764,424	$ 600,107	$ 164,317	27.4%	$ 197,645	$ 190,270	$ 7,375	3.9%
EBITDA (1)	$ 55,491	$ 37,479	$ 18,012	48.1%	$ 12,492	$ 19,323	$ (6,831)	-35.4%
EBITDA margin	7.4%	6.4%		100 bps	6.7%	10.8%		-410 bps
Adjusted EBITDA (1)	$ 66,150	$ 39,281	$ 26,869	68.4%	$ 14,334	$ 19,504	$ (5,170)	-26.5%
Adjusted EBITDA margin	8.8%	6.7%		210 bps	7.7%	10.9%		-320 bps

(1) See pages 18 – 20 for reconciliations of Non-GAAP financial data

Key Balance Sheet and Cash Flow Data

(unaudited)

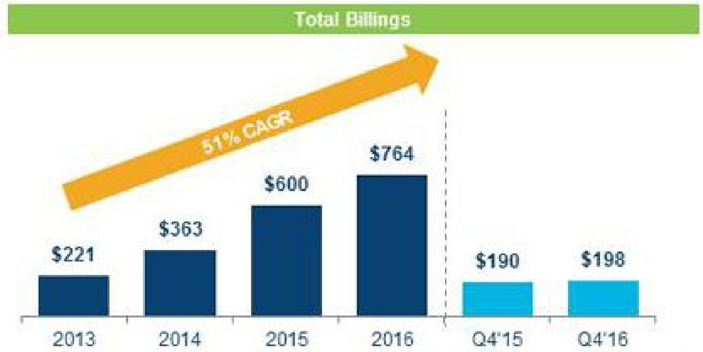
($ in thousands)	December 31, 2016	December 31, 2015
Balance Sheet Data:		
Cash and cash equivalents	$ 119,066	$ 45,917
Restricted cash	$ 2,259	$ 1,760
Accounts receivable	$ 67,842	$ 72,913
Inventories	$ 53,095	$ 50,841
Inventories held for customer orders	$ 52,308	$ 49,594
Deferred revenue	$ 69,568	$ 65,520
Total debt-current and noncurrent, net	$ 123,155	$ 129,346
Net debt [1]	$ 6,379	$ 90,667

($ in thousands)	Year Ended December 31, 2016	Year Ended December 31, 2015	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015
Cash Flow Data:				
Net cash provided by operating activities	$ 53,841	$ 31,293	$ 25,865	$ 27,783
Capital expenditures	$ 30,507	$ 26,361	$ 11,590	$ 1,200
Free cash flow [1]	$ 23,334	$ 4,932	$ 14,275	$ 26,583

(1) See page 20 for a reconciliation of net debt and free cash flow

Strong Financial Performance Trend Continues

(unaudited)



Adjusted EBITDA Margin					
3.9%	4.2%	6.7%	8.8%	10.9%	7.7%

Estimated MW					
1,173	2,029	3,595	4,920	1,191	1,234

Note: Dollars in millions

2017 Guidance

Guidance for 2017

Total Billings [1]	$930M to $950M
Sets	2,800 to 2,900
Average Selling Price per Blade	$105K to $110K
Estimated Megawatts	6,350 to 6,600
Dedicated Manufacturing Lines at Year-end 2017	52 to 56
Total Lines Installed and in Operation during 2017	40
Lines in Transition	5
Lines in Startup	15
Startup and Transition Costs	$30M to $40M
Capital Expenditures	$75M to $85M
Effective Tax Rate	20% to 25%
Depreciation and Amortization	$23M to $25M
Interest Expense	$11M to $12M
Income Tax Expense	$8M to $10M
Share-based Compensation	$9.5M to $10.5M

(1) We have not reconciled our expected Total billings to expected net sales as calculated under GAAP because we have not yet finalized calculations necessary to provide the reconciliation, including expected change in deferred revenue, and as such the reconciliation is not possible without unreasonable efforts.

Q&A

Appendix - Non-GAAP Information

This presentation includes unaudited non-GAAP financial measures including total billings, EBITDA, adjusted EBITDA, net debt and free cash flow. We define total billings as the total amounts we have invoiced our customers for products and services for which we are entitled to payment under the terms of our long-term supply agreements or other contractual agreements. We define EBITDA as net income (loss) attributable to the Company plus interest expense (including losses on the extinguishment of debt and net of interest income), income taxes, and depreciation and amortization. We define adjusted EBITDA as EBITDA plus any share-based compensation expense, plus or minus any gains or losses from foreign currency remeasurement. We define net debt as the total principal amount of debt outstanding less unrestricted cash and equivalents. We define free cash flow as net cash flow generated from operating activities less capital expenditures. We present non-GAAP measures when we believe that the additional information is useful and meaningful to investors. Non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with GAAP. See below for a reconciliation of certain non-GAAP financial measures to the comparable GAAP measures.

Non-GAAP Reconciliations
(unaudited)

Net sales is reconciled to total billings as follows:

	Year Ended December 31,		Three Months Ended December 31,	
($ in thousands)	2016	2015	2016	2015
Net sales	$ 754,877	$ 585,852	$ 185,574	$ 178,946
Change in deferred revenue:				
Blade-related deferred revenue at beginning of period [1]	(65,520)	(59,476)	(61,949)	(56,089)
Blade-related deferred revenue at end of period [1]	69,568	65,520	69,568	65,520
Foreign exchange impact [2]	5,499	8,211	4,452	1,893
Change in deferred revenue	9,547	14,255	12,071	11,324
Total billings	$ 764,424	$ 600,107	$ 197,645	$ 190,270

Net income (loss) is reconciled to EBITDA and adjusted EBITDA as follows:

	Year Ended December 31,		Three Months Ended December 31,	
($ in thousands)	2016	2015	2016	2015
Net income (loss)	$ 13,842	$ 7,682	$ (2,256)	$ 11,476
Adjustments:				
Depreciation and amortization	12,897	11,416	3,194	2,945
Interest expense (net of interest income)	17,270	14,404	4,637	3,659
Loss on extinguishment of debt	4,487	-	4,487	-
Income tax provision	6,995	3,977	2,430	1,243
EBITDA	55,491	37,479	12,492	19,323
Share-based compensation expense	9,902	-	1,785	-
Realized loss on foreign currency remeasurement	757	1,802	57	181
Adjusted EBITDA	$ 66,150	$ 39,281	$ 14,334	$ 19,504

Note: Footnote references on the following page

Non-GAAP Reconciliations *(continued)*
(unaudited)

(1) Total billings is reconciled using the blade-related deferred revenue amounts at the beginning and the end of the period as follows:

($ in thousands)	Year Ended December 31, 2016	Year Ended December 31, 2015	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015
Blade-related deferred revenue at beginning of period	$ 65,520	$ 59,476	$ 61,949	$ 56,089
Non-blade related deferred revenue at beginning of period	-	-	-	-
Total current and noncurrent deferred revenue at beginning of period	$ 65,520	$ 59,476	$ 61,949	$ 56,089
Blade-related deferred revenue at end of period	$ 69,568	$ 65,520	$ 69,568	$ 65,520
Non-blade related deferred revenue at end of period	-	-	-	-
Total current and noncurrent deferred revenue at end of period	$ 69,568	$ 65,520	$ 69,568	$ 65,520

(2) Represents the effect of the difference in the exchange rate used by our various foreign subsidiaries on the invoice date versus the exchange rate used at the period-end balance sheet date.

Non-GAAP Reconciliations *(continued)*
(unaudited)

Net debt is reconciled as follows:

($ in thousands)	December 31, 2016	December 31, 2015
Total debt, net of debt issuance costs and discount	$ 123,155	$ 129,346
Add debt issuance costs	2,290	4,220
Add discount on debt	-	3,018
Less cash and cash equivalents	(119,066)	(45,917)
Net debt	$ 6,379	$ 90,667

Free cash flow is reconciled as follows:

	Year Ended December 31,		Three Months Ended December 31,	
($ in thousands)	2016	2015	2016	2015
Net cash provided by operating activities	$ 53,841	$ 31,293	$ 25,865	$ 27,783
Less capital expenditures	(30,507)	(26,361)	(11,590)	(1,200)
Free cash flow	$ 23,334	$ 4,932	$ 14,275	$ 26,583

tpi COMPOSITES

EXHIBIT 99.3

TPI to Manufacture Composite Bus Bodies for Proterra Catalyst® Zero-Emission, Battery-Electric Buses

SCOTTSDALE, Ariz., March 16, 2017 (GLOBE NEWSWIRE) -- TPI Composites, Inc., (TPI) (Nasdaq:TPIC), announced today that it has entered an agreement to supply Proterra Inc. (Proterra) with composite bus bodies for its Catalyst transit vehicles. Engineers at TPI and Proterra collaborated in the design and development of a unique structural composite bus body for the Proterra 40' Catalyst vehicle.

The composite structure provides a weight savings of approximately 40% over conventional metallic space frames. This lower mass body structure enables Proterra to provide its customers with industry-leading range for its battery-electric vehicles. "As transit authorities around the globe implement programs to reduce CO_2 emissions, TPI is excited to be working with Proterra, the leader in zero-emission buses," said Steve Lockard, TPI's President and CEO.

In addition to lighter weight, composite structures enable enhanced durability and reduced maintenance costs, by providing a corrosion-free solution. The bus body uses a combination of reinforcement materials and careful utilization of carbon fiber to minimize cost.

The composite bus body will be manufactured out of one of TPI's New England facilities. This new venture demonstrates the incremental market opportunities and applications for TPI's expertise in composite technology and capabilities, while positioning TPI as a leader in providing products and services that showcase the importance of environmental sustainability.

"Partnering with TPI enables Proterra to support its rapidly growing business by utilizing TPI's extensive composite manufacturing capabilities and factory network," said Ryan Popple, CEO of Proterra.

About TPI Composites, Inc.:

TPI is an innovation leader for composite structures in the transportation market utilizing advanced composite technology and manufacturing expertise. TPI Composites, Inc. is the largest U.S.-based independent manufacturer of composite wind blades for the wind energy market. TPI delivers high-quality, cost effective composite solutions through long term relationships with leading wind turbine manufacturers. TPI operates factories throughout the U.S., Mexico, China and Turkey. For more information about TPI, go to www.tpicomposites.com.

About Proterra:

Proterra is a leader in the design and manufacture of zero-emission vehicles that enable bus fleet operators to eliminate the dependency on fossil fuels and to significantly reduce operating costs while delivering clean, quiet transportation to the community. Proterra has sold more than 380 vehicles to 36 different municipal, university, and commercial transit agencies throughout North America. Proterra's configurable EV platform, battery and charging options make its buses well suited for a wide range of transit and campus routes. With unmatched durability and energy efficiency based on rigorous U.S. certification testing, Proterra products are proudly designed, engineered and manufactured in America, with offices in Silicon Valley, South Carolina, and Los Angeles. For more information, visit: http://www.proterra.com and follow us on Twitter @Proterra_Inc.

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