

## **Park Electrochemical Corp.**

### **October 7, 2015 Investor Conference Call – Supplementary Financial Information**

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The financial and other data contained herein (the “Supplementary Data”) is being provided pursuant to the requirements of Regulation G promulgated by the U.S. Securities and Exchange Commission (the “SEC”). The Supplementary Data is time-sensitive information and is accurate as of October 7, 2015. Park Electrochemical Corp. (“Park” or the “Company”) is under no obligation to (and expressly disclaims any such obligation to) update or alter the Supplementary Data whether as a result of new information, future events or otherwise.

The Supplementary Data should be read in conjunction with our 2016 second quarter earnings news release dated October 7, 2015 and the reports and documents that we file from time to time with the SEC. In particular, please read our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and any Current Reports on Form 8-K that we may file from time to time. Park currently expects to file its Quarterly Report on Form 10-Q for the second quarter ended August 30, 2015 on or about October 9, 2015. We make available free of charge on or through our website located at [www.parkelectro.com](http://www.parkelectro.com) our SEC filings on Forms 10-K, 10-Q and 8-K and any amendments to those filings as soon as reasonably practicable after electronic filing with the SEC.

#### **Information to be presented at the October 7, 2015 investor conference call by Matt Farabaugh**

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Certain statements we may make during the course of this discussion which do not relate to historical financial information may be deemed to constitute forward-looking statements. Any forward-looking statements are subject to various factors that could cause actual results to differ materially from our expectations. We have set forth in our most recent Annual Report on Form 10-K for the fiscal year ended March 1, 2015 various factors that could affect future results. Those factors are found in Item 1A and after Item 7 of that Form 10-K. Any forward-looking statements we may make are subject to those factors.

I'd like to briefly review some of the items in our second quarter ended August 30, 2015 P&L, which are not specifically addressed in the earnings release.

During the fiscal year 2016 second quarter, North American sales were 56% of total sales, European sales were 6% of total sales and Asian sales were 38% of total sales, compared to 46%, 6% and 48%, respectively, for the 2015 fiscal year second quarter and 48%, 6% and 46%, respectively, for the 2016 fiscal year first quarter.

Sales of Park's high performance (non-FR-4) electronics materials were 93% of total electronics materials sales in the 2016 fiscal year second quarter, 92% in the 2015 fiscal year second quarter and 93% in the 2016 fiscal year first quarter.

Park's electronics sales were \$26.2 million, or 69% of total sales, in the 2016 fiscal year second quarter compared to \$33.8 million, or 80% of total sales, in the 2015 fiscal year second quarter and \$28.1 million, or 74% of total sales, in the 2016 fiscal year first quarter. Park's aerospace sales were \$11.8 million, or 31% of total sales, in the 2016 fiscal year second quarter compared to \$8.6 million, or 20% of total sales, in the 2015 fiscal year second quarter and \$9.7 million, or 26% of total sales, in the 2016 fiscal year first quarter.

Investment income, net of interest expense, for the 2016 fiscal year second quarter was negative \$39,000 compared to negative \$134,000 in the 2015 fiscal year second quarter and negative \$104,000 in the 2016 fiscal year first quarter.

Depreciation and amortization expense for the 2016 fiscal year second quarter was \$840,000 compared to \$865,000 in the 2015 fiscal year second quarter and \$837,000 in the 2016 fiscal year first quarter. Capital

expenditures for the 2016 fiscal year second quarter were \$52,000 compared to \$179,000 in the 2015 fiscal year second quarter and \$176,000 in the 2016 fiscal year first quarter.

The effective tax rate before special items was 12.7% in the 2016 fiscal year second quarter compared to 13.3% in the 2015 fiscal year second quarter and 10.9% in the 2016 fiscal year first quarter.

Gross Profit for the 2016 fiscal year second quarter was \$10.4 million, or 27.3% of sales, compared to \$12.2 million, or 28.7% of sales, for the 2015 fiscal year second quarter and \$11.4 million, or 30.0% of sales, for the 2016 fiscal year first quarter. Before special items, selling, general and administrative expenses for the 2016 fiscal year second quarter were \$5.0 million, or 13.2% of sales, compared to \$6.3 million, or 14.7% of sales, for the 2015 fiscal year second quarter and \$5.8 million, or 15.3% of sales, for the 2016 fiscal year first quarter. Before special items, earnings before income taxes for the 2016 fiscal year second quarter were \$5.3 million, or 14.0% of sales, compared to \$5.8 million, or 13.7% of sales, for the 2015 fiscal year second quarter and \$5.5 million, or 14.4% of sales, for the 2016 fiscal year first quarter. Before special items, net earnings for the 2016 fiscal year second quarter were \$4.6 million, or 12.2% of sales, compared to \$5.0 million, or 11.8% of sales, for the 2015 fiscal year second quarter and \$4.9 million, or 12.9% of sales, for the 2016 fiscal year first quarter.

For the 2016 fiscal year second quarter, the top five customers were AAE, GE, Sanmina, TTM/Viasystems and Wus, in alphabetical order. The top five customers totaled approximately 41% of total sales during the 2016 second quarter. Our top 10 customers totaled approximately 57% of total sales and the top 20 customers totaled approximately 71% of total sales for the 2016 fiscal year second quarter.

Since the share purchase authorization announced on January 8, 2015, the Company purchased an aggregate of 699,788 shares at a weighted average purchase price of \$20.71 totaling \$14,491,000, leaving 550,212 shares that may be purchased by the Company pursuant to such authorization. The Company purchased an aggregate of 118,756 shares at a weighted average purchase price per share of \$21.61 and an aggregate purchase price of \$2,566,000 during the 2015 fiscal year fourth quarter, an aggregate of 444,834 shares at a weighted average purchase price per share of \$21.32 and an aggregate purchase price of \$9,484,000 during the 2016 fiscal year first quarter and an aggregate of 136,198 shares at a weighted average purchase price per share of \$17.92 and an aggregate purchase price of \$2,441,000 during the 2016 fiscal year second quarter.

### Safe Harbor Statement

The Supplementary Data may contain “forward-looking statements,” as defined under the Federal Securities Laws, including the Private Securities Litigation Reform Act of 1995. Certain portions of the Supplementary Data which do not relate to historical financial information may be deemed to constitute forward-looking statements that are subject to various factors which could cause actual results to differ materially from Park’s expectations or from results which might be projected, forecasted, estimated or budgeted by the Company in forward-looking statements. Generally, you can identify forward-looking statements by the use of words such as “expect,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “goal,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believes,” “predicts,” “potential,” “continue” and similar expressions or the negative or other variations thereof. Such forward-looking statements are based on current expectations that involve a number of uncertainties and risks that may cause actual events or results to differ materially from Park’s expectations. Factors that could cause actual events or results to differ materially include but are not limited to general conditions in the electronics and aerospace industries, Park’s competitive position, the status of Park’s relationships with its customers, economic conditions in international markets, the cost and availability of raw materials, transportation and utilities, and the various other factors set forth in Item 1A “Risk Factors” and under the caption “Factors That May Affect Future Results” after Item 7 of Park’s Annual Report on Form 10-K for the fiscal year ended March 1, 2015. These and other risks may be detailed from time to time in Park’s periodic reports filed with the Securities and Exchange Commission, including, but not limited to, its fiscal year 2015 Annual Report on Form 10-K and other SEC filings, copies of which may be obtained from <http://www.sec.gov/>. Park is under no obligation to (and expressly disclaims any such obligation to) update any of the information contained herein if any forward-looking statement later turns out to be inaccurate whether as a result of new information, future events or otherwise.

