

## **Park Electrochemical Corp.**

### **May 3, 2016 Investor Conference Call – Supplementary Financial Information**

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 May 3, 2016. 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 fourth quarter and fiscal year earnings news release dated May 3, 2016 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 Annual Report on Form 10-K for the fiscal year ended February 28, 2016 on or about May 13, 2016. 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 May 3, 2016 investor conference call by P. Matthew Farabaugh, Senior Vice President and Chief Financial Officer**

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 fourth quarter and fiscal year 2016 P&L, which are not specifically addressed in the earnings release.

During the fiscal year 2016 fourth quarter, North American sales were 49% of total sales, European sales were 7% of total sales and Asian sales were 44% of total sales, compared to 48%, 5% and 47%, respectively, for the 2015 fiscal year fourth quarter and 53%, 7% and 40%, respectively, for the 2016 fiscal year third quarter.

Sales of Park's high performance (non-FR-4) electronics materials were 94% of total electronics materials sales in the 2016 fiscal year fourth quarter, 91% in the 2015 fiscal year fourth quarter and 94% in the 2016 fiscal year third quarter.

Park's electronics sales were \$26.9 million, or 75% of total sales, in the 2016 fiscal year fourth quarter compared to \$27.5 million, or 76% of total sales, in the 2015 fiscal year fourth quarter and \$25.5 million, or 74% of total sales, in the 2016 fiscal year third quarter. Park's aerospace sales were \$8.8 million, or 25% of total sales, in the 2016 fiscal year fourth quarter compared to \$8.8 million, or 24% of total sales, in the 2015 fiscal year fourth quarter and \$8.9 million, or 26% of total sales, in the 2016 fiscal year third quarter.

Park's electronics sales were \$106.7 million, or 73% of total sales, in the 2016 fiscal year compared to \$126.5 million, or 78% of total sales, in the 2015 fiscal year. Park's aerospace sales were \$39.2 million, or 27% of total sales, in the 2016 fiscal year compared to \$35.6 million, or 22% of total sales, for the 2015 fiscal year.

Gross Profit for the 2016 fiscal year fourth quarter was \$10.7 million, or 30.0% of sales, compared to \$11.3 million, or 31.1% of sales, for the 2015 fiscal year fourth quarter and \$10.3 million, or 30.0% of sales, for the 2016 fiscal year third quarter. Selling, general and administrative expenses before special items for the 2016

fiscal year fourth quarter were \$5.1 million, or 14.4% of sales, compared to \$5.6 million, or 15.4% of sales, for the 2015 fiscal year fourth quarter and \$5.3 million, or 15.3% of sales, for the 2016 fiscal year third quarter. Investment income, net of interest expense, before special items for the 2016 fiscal year fourth quarter was \$55,000, or 0.2% of sales, compared to negative \$132,000, or negative 0.4% of sales, in the 2015 fiscal year fourth quarter and negative \$128,000, or negative 0.4% of sales, in the 2016 fiscal year third quarter. Earnings before income taxes and special items for the 2016 fiscal year fourth quarter were \$5.6 million, or 15.8% of sales, compared to \$5.6 million, or 15.3% of sales, for the 2015 fiscal year fourth quarter and \$4.9 million, or 14.3% of sales, for the 2016 fiscal year third quarter. Net earnings before special items for the 2016 fiscal year fourth quarter were \$4.9 million, or 13.6% of sales, compared to \$5.0 million, or 13.7% of sales, for the 2015 fiscal year fourth quarter and \$4.2 million, or 12.3% of sales, for the 2016 fiscal year third quarter.

Depreciation and amortization expense in the 2016 fiscal year fourth quarter was \$845,000 compared to \$906,000 in the 2015 fiscal year fourth quarter and \$847,000 in the 2016 fiscal year third quarter. Capital expenditures in the 2016 fiscal year fourth quarter were \$78,000 compared to \$50,000 in the 2015 fiscal year fourth quarter and \$92,000 in the 2016 fiscal year third quarter.

The effective tax rate before special items was 13.8% in the 2016 fiscal year fourth quarter compared to 10.5% in the 2015 fiscal year fourth quarter and 14.2% in the 2016 fiscal year third quarter.

For the 2016 fiscal year fourth quarter, the top five customers were GE, Sanmina, Shennan Circuits, TTM and Wus, in alphabetical order. The top five customers totaled approximately 38% of total sales during the 2016 fiscal year fourth quarter. Our top 10 customers totaled approximately 50% of total sales and the top 20 customers totaled approximately 67% of total sales for the 2016 fiscal year fourth quarter.

Since the share purchase authorization announced by the Company on January 8, 2015, the Company has purchased an aggregate of 718,588 shares at an average purchase price of \$20.53 per share totaling \$14,753,256, leaving 531,412 shares that may be purchased by the Company pursuant to such authorization and an additional 1,000,000 shares that may be purchased by the Company pursuant to the share repurchase authorization announced by the Company on March 10, 2016.

#### 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.

