

## **Park Electrochemical Corp.**

### **June 29, 2016 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 June 29, 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 2017 first quarter earnings news release dated June 29, 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 Quarterly Report on Form 10-Q for the first quarter ended May 29, 2016 on or about July 8, 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 June 29, 2016 investor conference call by P. Matthew Farabaugh, Senior Vice President and Chief Financial Officer**

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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 February 28, 2016 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 fiscal year 2017 first quarter ended May 29, 2016 P&L, which are not specifically addressed in the earnings release.

During the fiscal year 2017 first quarter, North American sales were 53% of total sales, European sales were 8% of total sales and Asian sales were 39% of total sales, compared to 48%, 6% and 46%, respectively, for the 2016 fiscal year first quarter and 49%, 7% and 44%, respectively, for the 2016 fiscal year fourth quarter.

Sales of Park's high performance (non-FR-4) electronics materials were 94% of total electronics materials sales in the 2017 fiscal year first quarter and 93% and 94% in the 2016 fiscal year first and fourth quarters, respectively.

Park's electronics sales were \$23.8 million, or 76% of total sales, in the 2017 fiscal year first quarter compared to \$28.1 million, or 74% of total sales, and \$26.9 million, or 75% of total sales, in the 2016 fiscal year first and fourth quarters, respectively. Park's aerospace sales were \$7.7 million, or 24% of total sales, in the 2017 fiscal year first quarter compared to \$9.7 million, or 26% of total sales, and \$8.8 million, or 25% of total sales, in the 2016 fiscal year first and fourth quarters, respectively.

Gross Profit for the 2017 fiscal year first quarter was \$8.8 million, or 27.9% of sales, compared to \$11.4 million, or 30.0% of sales, and \$10.7 million, or 30.0% of sales, for the 2016 fiscal year first and fourth quarters, respectively. Before special items, selling, general and administrative expenses for the 2017 fiscal year first quarter were \$5.3 million, or 16.9% of sales, compared to \$5.8 million, or 15.3% of sales, and \$5.1 million, or 14.4% of sales, for the 2016 fiscal year first and fourth quarters, respectively. Investment income, net of interest expense, in the 2017 fiscal year first quarter was \$45,000 compared to negative \$104,000 and \$55,000 in the 2016 fiscal year first and fourth quarters, respectively. Before special items, earnings before income taxes for the

2017 fiscal year first quarter were \$3.5 million, or 11.1% of sales, compared to \$5.5 million, or 14.4% of sales, and \$5.6 million, or 15.8% of sales, for the 2016 fiscal year first and fourth quarters, respectively. Before special items, net earnings for the 2017 fiscal year first quarter were \$3.0 million, or 9.5% of sales, compared to \$4.9 million, or 12.9% of sales, and \$4.9 million, or 13.6% of sales, for the 2016 fiscal year first and fourth quarters, respectively.

Depreciation and amortization expense in the 2017 fiscal year first quarter was \$827,000 compared to \$837,000 and \$845,000 in the 2016 fiscal year first and fourth quarters, respectively. Capital expenditures for the 2017 fiscal year first quarter were \$41,000 compared to \$176,000 and \$78,000 in the 2016 fiscal year first and fourth quarters, respectively.

The effective tax rate before special items was 14.4% in the 2017 fiscal year first quarter compared to 10.9% in the 2016 fiscal year first quarter and 13.8% in the 2016 fiscal year fourth quarter.

For the 2017 fiscal year first quarter, the top five customers were Daeduck Electronics, GE, Sanmina, Shennan Circuits, and TTM, in alphabetical order. The top five customers totaled approximately 39% of total sales during the 2017 first quarter. Our top 10 customers totaled approximately 52% of total sales and the top 20 customers totaled approximately 67% of total sales for the 2017 fiscal year first 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 February 28, 2016. 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 2016 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.