
NEWS RELEASE

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PARK ELECTROCHEMICAL REPORTS SECOND QUARTER RESULTS

Melville, New York, September 20, 2007.....Park Electrochemical Corp. (NYSE-PKE) reported sales of \$60,541,000 for its 2008 fiscal year second quarter ended August 26, 2007 compared to sales of \$66,518,000 for the second quarter of last year. Park's sales for the first six months were \$117,618,000 compared to sales of \$129,356,000 for last year's first six months.

Park reported net earnings of \$9,160,000 for the second quarter ended August 26, 2007 compared to net earnings before special items of \$8,470,000 for last fiscal year's second quarter ended August 27, 2006. During the prior year's second quarter, the Company recorded a pre-tax charge of \$1,316,000 in connection with the termination of an insurance arrangement, and recognized a \$499,000 tax benefit relating to this insurance termination charge. During the prior year's second quarter, Park also recognized a tax benefit of \$3,500,000 relating to the elimination of certain valuation allowances previously established related to deferred tax assets in the United States and a tax benefit of \$1,391,000 relating to the elimination of reserves no longer required. Park recorded no special items during the current year's second quarter. Accordingly, net earnings were \$9,160,000 for the second quarter ended August 26, 2007 compared to net earnings of \$12,544,000 for last fiscal year's second quarter ended August 27, 2006.

For the six-month period ended August 26, 2007, Park reported net earnings of \$16,571,000 compared to net earnings before special items of \$17,364,000 for last year's first six-month period. As mentioned above, last year's six-month period included a pre-tax charge of \$1,316,000 in connection with the termination of an insurance arrangement and a tax benefit of \$499,000 relating to the insurance termination charge, a tax benefit of \$3,500,000 relating to the elimination of valuation allowances and a tax benefit of \$1,391,000 relating to the elimination of reserves no longer required. Park recorded no special items during the six-month period ended August 26, 2007. Accordingly, net earnings were \$16,571,000 for the six-month period ended August 26, 2007 compared to net earnings of \$21,438,000 for last year's first six-months.

Park reported basic and diluted earnings per share of \$.45 and \$.82, respectively, for the second quarter and six-month period ended August 26, 2007 compared to basic and diluted earnings per share before special items of \$.42 and \$.86 for last year's second quarter and six-month period. Basic and diluted earnings per share were \$.45 and \$.82, respectively, for the second quarter and six-months ended August 26, 2007 compared to \$.62 and \$1.06, respectively, for last year's second quarter and first six-month period. The effective tax rate for the second quarter ended August 26, 2007 was 25.2% compared to a rate of 23.0% for last year's second quarter.

The Company will conduct a conference call to discuss its financial results at 11:00 a.m. EDT today. Forward-looking and other material information may be discussed in this conference call. The conference call dial-in number is (866) 316-1365.

For those unable to listen to the call live, a conference call replay will be available from approximately 2:00 p.m. EDT today through 11:59 p.m. EDT on Monday, September 24, 2007. The conference call replay can be accessed by dialing (888) 203-1112 and entering passcode 9416880 or on the Company's web site at www.parkelectro.com/investor/investor.html.

Any additional material financial or statistical data disclosed in the conference call will also be available at the time of the conference call on the Company's web site at www.parkelectro.com/investor/investor.html.

Park Electrochemical Corp. is a global advanced materials company which develops and manufactures high-technology digital and RF/microwave printed circuit materials (the Nelco® product line) and advanced composite materials (the Nelcote™ product line) principally for the telecommunications and internet infrastructure, high-end computing and aerospace markets. Park focuses on the general aviation aircraft segment of the aerospace industry. Park's core capabilities are in the areas of polymer chemistry formulation and coating technology. The Company's manufacturing facilities are located in Singapore, China, France, Connecticut, New York, Arizona and California. In addition, as recently announced, the Company plans to construct a new facility in Newton, Kansas.

Additional corporate information is available on the Company's web site at www.parkelectro.com.

The performance table (in thousands, except per share amounts—unaudited):

	<u>13 weeks Ended</u>		<u>26 weeks Ended</u>	
	<u>8/26/07</u>	<u>8/27/06</u>	<u>8/26/07</u>	<u>8/27/06</u>
Sales	\$60,541	\$66,518	\$117,618	\$129,356
Net Earnings before Special Items	\$9,160	\$8,470	\$16,571	\$17,364
Special Items	<u>-</u>	<u>4,074</u>	<u>-</u>	<u>4,074</u>
Net Earnings	\$9,160	\$12,544	\$16,571	\$21,438
Basic and Diluted Earnings Per Share:				
Basic Earnings before Special Items	\$0.45	\$0.42	\$0.82	\$0.86
Special Items	<u>-</u>	<u>0.20</u>	<u>-</u>	<u>0.20</u>
Basic Earnings Per Share	\$0.45	\$0.62	\$0.82	\$1.06
Diluted Earnings before Special Items	\$0.45	\$0.42	\$0.82	\$0.86
Special Items	<u>-</u>	<u>0.20</u>	<u>-</u>	<u>0.20</u>
Diluted Earnings Per Share	\$0.45	\$0.62	\$0.82	\$1.06
Weighted Average Shares Outstanding:				
Basic	20,325	20,183	20,265	20,159
Diluted	20,405	20,295	20,320	20,311

The comparative balance sheets (in thousands):

	<u>8/26/07</u> (unaudited)	<u>2/25/07</u>
<u>Assets</u>		
Current Assets		
Cash and Marketable Securities	\$195,772	\$208,775
Accounts Receivable, Net	39,171	39,418
Inventories	15,728	15,090
Other Current Assets	<u>3,590</u>	<u>3,049</u>
Total Current Assets	254,261	266,332
Fixed Assets, Net	49,479	49,895
Other Assets	<u>6,029</u>	<u>5,695</u>
Total Assets	<u>\$309,769</u>	<u>\$321,922</u>
<u>Liabilities and Stockholders' Equity</u>		
Current Liabilities		
Accounts Payable	\$ 14,455	\$ 13,589
Accrued Liabilities	13,907	13,058
Income Taxes Payable	<u>1,756</u>	<u>2,354</u>
Total Current Liabilities	30,118	29,001
Deferred Income Taxes	4,605	4,294
Other Liabilities	7,062	7,279
Liabilities from Discontinued Operations	<u>17,181</u>	<u>17,181</u>
Total Liabilities	58,966	57,755
Stockholders' Equity	<u>250,803</u>	<u>264,167</u>
Total Liabilities and Stockholders' Equity	<u>\$309,769</u>	<u>\$321,922</u>
Equity Per Share	<u>\$12.33</u>	<u>\$13.08</u>

Detailed operating information (in thousands – unaudited):

	<u>13 Weeks Ended</u>		<u>26 Weeks Ended</u>	
	<u>8/26/07</u>	<u>8/27/06</u>	<u>8/26/07</u>	<u>8/27/06</u>
Net Sales	\$ 60,541	\$ 66,518	\$ 117,618	\$ 129,356
Cost of Sales	44,106	50,474	87,074	96,949
%	72.9%	75.9%	74.0%	74.9%
Gross Profit	16,435	16,044	30,544	32,407
%	27.1%	24.1%	26.0%	25.1%
Selling, General and Administrative Expenses	6,651	6,836	13,223	13,597
%	10.9%	10.3%	11.3%	10.6%
Earnings from Operations	9,784	9,208	17,321	18,810
%	16.2%	13.8%	14.7%	14.5%
Other Income	2,463	1,792	4,774	3,741
%	4.0%	2.7%	4.1%	2.9%
Earnings Before Income Taxes	12,247	11,000	22,095	22,551
%	20.2%	16.5%	18.8%	17.4%
Income Tax Provision	3,087	2,530	5,524	5,187
Effective Tax Rate	25.2%	23.0%	25.0%	23.0%
Net Earnings Before Special Items	9,160	8,470	16,571	17,364
%	15.1%	12.7%	14.1%	13.4%
Special Items:				
Insurance Arrangement Termination Charge	-	1,316	-	1,316
%	-	2.0%	-	1.0%
Income Tax Provision (Benefit)	-	(5,390)	-	(5,390)
Effective Tax Rate	-	-55.7%	-	-25.4%
After-Tax Special Items	-	4,074	-	4,074
%	-	6.1%	-	3.1%
After Special Items:				
Earnings Before Income Taxes	12,247	9,684	22,095	21,235
%	20.2%	14.6%	18.8%	16.4%
Income Tax Provision (Benefit)	3,087	(2,860)	5,524	(203)
Effective Tax Rate	25.2%	-29.5%	25.0%	-1.0%
Net Earnings	9,160	12,544	16,571	21,438
%	15.1%	18.9%	14.1%	16.6%

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