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

Date of report (Date of earliest event reported): January 3, 2018

PARK ELECTROCHEMICAL CORP.

(Exact Name of Registrant as Specified in Charter)

New York	1-4415	11-1734643
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

48 South Service Road, Melville,	New York	11747
(Address of Principal Executive Offices)		(Zip Code)

Registrant's telephone number, including area code (631) 465-3600

Not Applicable
Former Name or Former Address, if Changed Since Last Report

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:

[ ] 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company [ ]

If an emerging growth company, indicate by check mark if the registrant has selected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Item 1.02. Termination of a Material Definitive Agreement.

On January 3, 2018, Park Electrochemical Corp. (the "Company") terminated its Credit Agreement, dated as of January 15, 2016, by and among the Company, as borrower, the guarantors party thereto, and HSBC Bank USA, National Association, as lender (as amended, the “Credit Agreement”). The Credit Agreement was set to expire on January 26, 2019. On January 3, 2018, the Company voluntarily repaid in full the outstanding principal and interest thereunder in an aggregate amount of $68,778,340.53.

The repayment of the outstanding bank debt was funded from the Company’s cash balances. The change in the U.S. tax code, as provided by the Tax Cuts and Jobs Act (“Act”), has allowed the Company to repatriate foreign accumulated income at a lower effective tax rate. The Act, which was passed in December 2017, provides an incentive for United States companies to repatriate accumulated income earned in foreign jurisdictions at a reduced U.S. income tax expense.

Item 2.02 Results of Operations and Financial Condition.

The Company issued a news release on January 4, 2018 reporting its results of operations for its 2018 fiscal year third quarter ended November 26, 2017.

The Company is furnishing the news release as Exhibit 99.1 hereto, and the portion relating to such financial performance is incorporated herein by reference. The information in this Item 2.02 and the attached Exhibit shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act except as shall be expressly stated by specific reference in such filing.

Item 8.01. Other Events.

Special Dividend

On January 4, 2018, the Board declared a special cash dividend of $3.00 per share payable February 13, 2018 to shareholders of record at the close of business on January 23, 2018. The special cash dividend was funded from the Company’s cash balances.

Review of Strategic Alternatives for Potential Sale of the Company’s Electronics Business; Engagement of Greenhill & Co., LLC. as Financial Advisor

On January 4, 2018, the Company announced that it engaged Greenhill & Co. LLC as the Company’s sole financial advisor to assist the Company in conducting a strategic evaluation, including a potential sale, of the Company's Electronics Business.

News Release and Investor Presentation

The Company’s news release and investor presentation dated January 4, 2018 also address the foregoing matters included in this Form 8-K and are furnished as Exhibits 99.1 and 99.2 hereto and are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1 News Release dated January 4, 2018

99.2 Investor Presentation dated January 4, 2018

SIGNATURE

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 hereunto duly authorized.

PARK ELECTROCHEMICAL CORP.

Date: January 4, 2018

By: /s/ P. Matthew Farabaugh
Name: P. Matthew Farabaugh
Title: Senior Vice President and Chief Financial Officer

Exhibit 99.1

PARK ELECTROCHEMICAL CORP.

NEWS RELEASE

Contact: Martina Bar Kochva, mbarkochva@parkelectro.com

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PARK ELECTROCHEMICAL CORP. REPORTS THIRD QUARTER RESULTS

ANNOUNCES REPAYMENT OF OUTSTANDING DEBT

DECLARES SPECIAL CASH DIVIDEND

ANNOUNCES STRATEGIC EVALUATION OF ELECTRONICS BUSINESS

An investor presentation will be available on the Company's web site at https://parkelectro.com/shareholders/investor-conference-calls/.

THIRD QUARTER RESULTS

Melville, New York, Thursday, January 4, 2018…..Park Electrochemical Corp. (NYSE-PKE) reported net sales of $26,139,000 for the 2018 fiscal year's third quarter ended November 26, 2017 compared to net sales of $26,462,000 for last fiscal year's third quarter ended November 27, 2016 and net sales of $29,836,000 for the 2018 fiscal year's second quarter ended August 27, 2017. Park's net sales for the nine months ended November 26, 2017 were $83,392,000 compared to net sales of $87,010,000 for the nine months ended November 27, 2016. Net earnings for the current year's third quarter were $716,000 compared to $1,875,000 for last year's third quarter and $520,000 for the current year's second quarter. Net earnings were $2,630,000 for the current year's nine-month period compared to $6,806,000 for last year's nine-month period.

Park reported net earnings before special items of $1,131,000 for the current fiscal year's third quarter compared to net earnings before special items of $1,944,000 for last year's third quarter and net earnings before special items of $2,343,000 for the current year's second quarter. Pre-tax earnings before special items were $1,508,000 for the current fiscal year's third quarter compared to pre-tax earnings before special items of $2,117,000 for last year's third quarter and pre-tax earnings before special items of $2,882,000 for the current year's second quarter. In the current fiscal year's third quarter, the Company recorded pre-tax restructuring charges of $472,000 related to the consolidation of its Nelco Products, Inc. electronics Business Unit located in Fullerton, California, and its Neltec Inc. electronics Business Unit located in Tempe, Arizona and the closure, in fiscal year 2009, of its New England Laminates Co., Inc. electronics facility located in Newburgh, New York and advisory fees related to the strategic evaluation discussed below of $190,000 included in selling, general and administrative expenses. In the 2017 fiscal year's third quarter, the Company recorded pre-tax restructuring charges of $113,000 in connection with the Newburgh facility closure. In the current fiscal year's second quarter, the Company recorded pre-tax restructuring charges of $2,902,000 in connection with the consolidation of its Nelco Products, Inc. and its Neltec Inc. electronics Business Units and the closure of the Newburgh facility.

For the nine-month period ended November 26, 2017, Park reported net earnings before special items of $5,958,000 compared to net earnings before special items of $6,932,000 for last fiscal year's first nine-month period. Pre-tax earnings before special items were $6,599,000 for the nine-month period ended November 26, 2017 compared to pre-tax earnings before special items of $7,771,000 for last fiscal year's first nine-month period. The current year's nine-month period included pre-tax charges of $4,925,000 related to the consolidation, facility closure, the advisory fees mentioned above and a one-time pretax litigation expense of $375,000 included in the selling, general and administrative expenses. Last year's nine-month period included pre-tax charges of $206,000 related to the Newburgh facility closure mentioned above.

Park reported basic and diluted earnings per share of $0.04 for the 2018 fiscal year's third quarter compared to $0.09 for the 2017 fiscal year's third quarter and $0.03 for the 2018 fiscal year's second quarter. Basic and diluted earnings per share before special items were $0.06 for the 2018 fiscal year's third quarter compared to $0.10 for the 2017 fiscal year's third quarter and $0.12 for the 2018 fiscal year's second quarter.

Park reported basic and diluted earnings per share of $0.13 for the 2018 fiscal year's first nine months compared to $0.34 for the 2017 fiscal year's first nine-month period and basic and diluted earnings per share before special items of $0.29 for the 2018 fiscal year's first nine months compared to $0.34 for the 2017 fiscal year's first nine-month period.

Park believes that an evaluation of its ongoing operations would be difficult if the disclosure of its financial results were limited to accounting principles generally accepted in the United States of America ("GAAP") financial measures, which include special items, such as restructuring charges, advisory fees and one-time litigation expense. Accordingly, in addition to disclosing its financial results determined in accordance with GAAP, Park discloses non-GAAP operating results that exclude special items in order to assist its shareholders and other readers in assessing the Company's operating performance, since the Company's on-going, normal business operations do not include such special items. The detailed operating information presented below reconciles the non-GAAP operating results before special items to earnings determined in accordance with GAAP. Such non-GAAP financial measures are provided to supplement the results provided in accordance with GAAP.

REPAYMENT OF OUTSTANDING DEBT

Park announced the voluntary repayment of all outstanding debt under the Credit Agreement, dated as of January 15, 2016, between the Company and HSBC Bank USA, in the amount of approximately $69 million, including principal and accrued interest, effective January 3, 2018. The Company also announced the termination of the Credit Agreement.

The repayment of the outstanding debt was funded from the Company's cash balances. The change in the U.S. tax code, as provided by the Tax Cuts and Jobs Act ("Act"), has allowed the Company to repatriate its foreign accumulated income at a lower effective tax rate. The Act, which was passed in December 2017, provides an incentive for United States companies to repatriate accumulated income earned in foreign jurisdictions at a reduced U.S. income tax expense. The estimated income tax expense and related liability associated with the repatriation is approximately $20 million compared to an estimated $60 million in income tax expense that the Company would have incurred if it had repatriated the accumulated foreign income before the effectiveness of the Act. The repatriation of accumulated foreign income will be reported in the fourth quarter of the 2018 fiscal year.

SPECIAL CASH DIVIDEND

Park announced that its Board of Directors has declared a special cash dividend of $3.00 per share payable February 13, 2018 to shareholders of record at the close of business on January 23, 2018. The special cash dividend will be funded from the Company's cash balances.

This special dividend, together with the Company's regular quarterly dividend of $0.10 per share payable February 6, 2018 to shareholders of record on January 2, 2018, brings the total amount of dividends paid to shareholders to $20.10 per share, a total of approximately $412 million, since the Company's 2005 fiscal year.

STRATEGIC EVALUATION OF ELECTRONICS BUSINESS

Park announced that it is conducting a strategic evaluation, including the potential sale, of its iconic high-technology digital and radio frequency/microwave printed circuit materials business, collectively the Electronics Business. Park has retained Greenhill & Co., LLC to assist it in the strategic evaluation of the Electronics Business, which includes manufacturing locations in Singapore, France, California and Arizona and R&D facilities in Singapore and Arizona. Under any strategic alternative for the Electronics Business, Park would retain its aerospace manufacturing operations in Kansas, its headquarters in New York and its aerospace composite materials manufacturing facility in Singapore.

Park is evaluating whether there may be a new owner of the Electronics Business who can apply focus, capability and resources to allow the Electronics Business to realize its full potential and provide it with the future it deserves. Park is conducting this strategic evaluation while keeping in mind the best interests of our investors, our Electronics Business people, and the customers and OEMs we serve.

Park expects to conclude its strategic evaluation of the Electronics Business in the second quarter of its 2019 fiscal year ending March 3, 2019. However, no specific timetable has been set, and there can be no assurance that any transaction will take place as a result of the strategic evaluation.

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The Company will conduct a conference call to discuss its financial results, its capital allocation decisions and its decision to conduct a strategic evaluation of the Electronics Business 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 (844) 466-4114 in the United States and Canada and (765) 507-2654 in other countries and the required passcode is 4197447.

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 Wednesday, January 10, 2018. The conference call replay can be accessed by dialing (855) 859-2056 in the United States and Canada and (404) 537-3406 in other countries and entering passcode 4197447 or on the Company's web site at **https://parkelectro.com/shareholders/investor-conference-calls/.**

Any additional material financial or statistical data disclosed in the conference call, including the investor presentation, will also be available on the Company's web site at **https://parkelectro.com/shareholders/investor-conference-calls/.**

Certain portions of this news release 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. Such factors 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 and suppliers, economic conditions in international markets, the cost and availability of raw materials, transportation and utilities, and the various 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 26, 2017.

With respect to the strategic evaluation for our Electronics Business, potential risks and uncertainties include: there is no assurance that any transaction or transactions will be consummated in a timely manner or at all (a "Potential Transaction"); the effect of the announcement of the consideration of a Potential Transaction on the Company's business relationships (including, without limitation, customers and suppliers) and its employees; that the failure to complete a Potential Transaction could negatively impact the market price of the Company’s common stock and the future business and financial results of the Company; the significant expenses to be incurred by the Company in consideration of a Potential Transaction and contingent expenses if a Potential Transaction is consummated; and the diversion of management's attention from the Company's ongoing business operations during the consideration of a Potential Transaction.

Park Electrochemical Corp. is a global advanced materials company which develops and manufactures advanced composite materials, primary and secondary structures and assemblies and low-volume tooling for the aerospace markets and high-technology digital and RF/microwave printed circuit materials principally for the telecommunications and internet infrastructure, enterprise and military/aerospace markets. The Company’s manufacturing facilities are located in Kansas, Singapore, France, Arizona and California. The Company also maintains R&D facilities in Arizona, Kansas and Singapore.

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

Performance table, including non-GAAP information (in thousands, except per share amounts –unaudited):

	13 Weeks Ended			39 Weeks Ended	
	November 26, 2017	November 27, 2016	August 27, 2017	November 26, 2017	November 27, 2016
Sales	$ 26,139	$ 26,462	$ 29,836	$ 83,392	$ 87,010
Net Earnings before Special Items[1]	$ 1,131	$ 1,944	$ 2,343	$ 5,958	$ 6,932
Special Items, net of Tax:					
Restructuring Charges	(296)	(69)	(1,823)	(2,973)	(126)
One-time Litigation Expense	-	-	-	(236)	-
Advisory Fees	(119)	-	-	(119)	-
Net Earnings	$ 716	$ 1,875	$ 520	$ 2,630	$ 6,806
Basic and Diluted Earnings per Share:					
Basic Earnings before Special Items[1]	$ 0.06	$ 0.10	$ 0.12	$ 0.29	$ 0.34
Special Items:					
Restructuring Charges	(0.01)	(0.01)	(0.09)	(0.14)	-
One-time Litigation Expense	-	-	-	(0.01)	-
Advisory Fees	(0.01)	-	-	(0.01)	-
Basic Earnings (Loss) per Share	$ 0.04	$ 0.09	$ 0.03	$ 0.13	$ 0.34
Diluted Earnings before Special Items[1]	$ 0.06	$ 0.10	$ 0.12	$ 0.29	$ 0.34
Special Items:					
Restructuring Charges	(0.01)	(0.01)	(0.09)	(0.14)	-
One-time Litigation Expense	-	-	-	(0.01)	-
Advisory Fees	(0.01)	-	-	(0.01)	-
Diluted Earnings (Loss) per Share	$ 0.04	$ 0.09	$ 0.03	$ 0.13	$ 0.34
Weighted Average Shares Outstanding:					
Basic	20,237	20,235	20,236	20,236	20,235
Diluted	20,261	20,235	20,250	20,252	20,235

[1] *Refer to "Reconciliation of non-GAAP financial measures" below for information regarding Special Items.*

Comparative balance sheets (in thousands)**:**

	November 26, 2017	February 26, 2017
Assets	(unaudited)	
Current Assets		
Cash and Marketable Securities	$ 231,825	$ 238,590
Accounts Receivable, Net	16,461	17,238
Inventories	11,449	11,105
Prepaid Expenses and Other Current Assets	2,751	2,197
Total Current Assets	262,486	269,130
Fixed Assets, Net	17,117	18,638
Restricted Cash	10,000	10,000
Other Assets	11,744	10,810
Total Assets	$ 301,347	$ 308,578
Liabilities and Shareholders' Equity		
Current Liabilities		
Current Portion of Long-Term Debt	$ 3,000	$ 3,500
Accounts Payable	3,424	4,183
Accrued Liabilities	6,639	3,417
Income Taxes Payable	591	3,023
Total Current Liabilities	13,654	14,123
Long-Term Debt	66,250	68,500
Deferred Income Taxes	42,088	42,088
Other Liabilities	169	1,041
Total Liabilities	122,161	125,752
Shareholders’ Equity	179,186	182,826
Total Liabilities and Shareholders' Equity	$ 301,347	$ 308,578
Additional information		
Equity per Share	*$ 8.85*	*$ 9.04*
Total Cash, Restricted Cash and Marketable Securities	*$ 241,825*	*$ 248,590*

Comparative statements of operations (in thousands – unaudited):

	13 Weeks Ended			39 Weeks Ended	
	November 26, 2017	November 27, 2016	August 27, 2017	November 26, 2017	November 27, 2016
Net Sales	$ 26,139	$ 26,462	$ 29,836	$ 83,392	$ 87,010
Cost of Sales	20,069	19,828	22,659	63,823	64,355
Gross Profit	6,070	6,634	7,177	19,569	22,655
% of net sales	23.2%	25.1%	24.1%	23.5%	26.0%
Selling, General & Administrative Expenses	4,797	4,604	4,443	13,967	15,051
% of net sales	18.4%	17.4%	14.9%	16.7%	17.3%
Restructuring Charges	472	113	2,902	4,735	206
Earnings/(Loss) from Operations	801	1,917	(168)	867	7,398
Interest:					
Interest Income	734	430	751	2,234	1,177
Interest Expense	689	343	603	1,802	1,010
Net Interest Income	45	87	148	432	167
Earnings/(Loss) before Income Taxes	846	2,004	(20)	1,299	7,565
Income Tax Provision/(Benefit)	130	129	(540)	(1,331)	759
Net Earnings	$ 716	$ 1,875	$ 520	$ 2,630	$ 6,806

Reconciliation of non-GAAP financial measures (in thousands – unaudited):

	13 Weeks Ended November 26, 2017			13 Weeks Ended November 27, 2016			13 Weeks Ended August 27, 2017		
	GAAP	Specials Items	Before Special Items	GAAP	Specials Items	Before Special Items	GAAP	Specials Items	Before Special Items
Selling, General & Administrative Expenses	$ 4,797	$ (190)	$ 4,607	$ 4,604	$ -	$ 4,604	$ 4,443	$ -	$ 4,443
% of net sales	18.4%		17.6%	17.4%		17.4%	14.9%		14.9%
Restructuring Charges	472	(472)	-	113	(113)	-	2,902	(2,902)	-
% of net sales	1.8%		0.0%	0.4%		0.0%	9.7%		0.0%
Earnings/(Loss) from Operations	801	662	1,463	1,917	113	2,030	(168)	2,902	2,734
% of net sales	3.1%		5.6%	7.2%		7.7%	-0.6%		9.2%
Earnings/(Loss) before Income Taxes	846	662	1,508	2,004	113	2,117	(20)	2,902	2,882
% of net sales	3.2%		5.8%	7.6%		8.0%	-0.1%		9.7%
Income Tax Provision/(Benefit)	130	247	377	129	44	173	(540)	1,079	539
Effective Tax Rate	15.4%		25.0%	6.4%		8.2%	2700.0%		18.7%
Net Earnings	716	415	1,131	1,875	69	1,944	520	1,823	2,343
% of net sales	2.7%		4.3%	7.1%		7.3%	1.7%		7.9%

	39 Weeks Ended November 26, 2017			39 Weeks Ended November 27, 2016		
	GAAP	Specials Items	Before Special Items	GAAP	Specials Items	Before Special Items
Selling, General & Administrative Expenses	$ 13,967	$ (565)	$ 13,402	$ 15,051	$ -	$ 15,051
% of net sales	16.7%		16.1%	17.3%		17.3%
Restructuring Charge	4,735	(4,735)	-	206	(206)	-
% of net sales	5.7%		0.0%	0.2%		0.0%
Earnings from Operations	867	5,300	6,167	7,398	206	7,604
% of net sales	1.0%		7.4%	8.5%		8.7%
Earnings before Income Taxes	1,299	5,300	6,599	7,565	206	7,771
% of net sales	1.6%		7.9%	8.7%		8.9%
Income Tax (Benefit)/Provision	(1,331)	1,972	641	759	80	839
Effective Tax Rate	-102.5%		9.7%	10.0%		10.8%
Net Earnings	2,630	3,328	5,958	6,806	126	6,932
% of net sales	3.2%		7.1%	7.8%		8.0%

Exhibit 99.2

PARK ELECTROCHEMICAL CORP.

Investor Conference Call
January 4, 2018

Forward Looking Disclaimer

This presentation contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events or our future financial or operating performance, and include Park's expectations regarding revenues, EBITDA, EBIT, the strategic evaluation of our Electronics Business and growth opportunities and projected pro forma financial information for the Aerospace Business. The forward-looking statements contained in this presentation are based on management's good-faith belief and reasonable judgment based on current information, and these statements are qualified by important risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from those forecasted or indicated by such forward-looking statements.

With respect to the strategic evaluation for our Electronics Business, potential risks and uncertainties include: there is no assurance that any transaction or transactions will be consummated in a timely manner or at all (a "Potential Transaction"); the effect of the announcement of the consideration of a Potential Transaction on the Company's business relationships (including, without limitation, customers and suppliers) and its employees; that the failure to complete a Potential Transaction could negatively impact the market price of the Company's common stock and the future business and financial results of the Company; the significant expenses to be incurred by the Company in consideration of a Potential Transaction and contingent expenses if a Potential Transaction is consummated; and the diversion of management's attention from the Company's ongoing business operations during the consideration of a Potential Transaction.

Forward Looking Disclaimer *(continued)*

With respect to projected pro forma information regarding our Aerospace Business potential risks and uncertainties include:

- *The Company would have greater exposure to the risks of the aerospace industry generally, including volume of commercial and business air travel, airline industry confidence and investment, energy and fuel costs, global military and defense budgets, global politics and trade policy, global environmental and conservation policy, aerospace OEM product life cycles and new program development, and overall perception of air travel safety, convenience, and affordability versus other modes of transportation.*
- *The Company would have a greater portion of its production concentrated in fewer manufacturing locations. Natural disasters, location specific labor issues or business or environmental regulation would have a greater impact on the operations of the overall Company.*
- *Increased customer concentration relative to total revenue. The Company's revenue derived from its top customer would be larger as a percentage of total revenue. Factors relating to pricing and contract negotiation, timing of purchases, and the overall customer relationship would be even more critical and could adversely affect the Company's overall operations to a greater degree.*
- *Increased supplier concentration. The Company would have increased risk, relative to its overall operations, associated with a certain supplier, which is the sole source supplier for many of the Company's products. Any disruption, economic changes or quality issues with this supplier could negatively affect the Company's overall operations to a greater degree.*
- *Increased dependency on certain aircraft OEM programs. The Company has significant exposure to certain aircraft programs that are subject to market demand, manufacturing delays or issues, safety or qualification issues, and trade, tax and political issues, which could in turn negatively affect the Company.*
- *Vulnerabilities associated with changes in supply chain or sourcing strategies by Tier 1 aerospace suppliers or OEMs. OEMs may decide to bring fabrication or assembly work that is currently performed by the Company's direct customers in-house. OEMs may also demand price reductions of the Company's direct customers, which may have an adverse effect on the Company. The Company is also dependent on the commercial success of certain jet engine programs, which are in direct competition with other jet engine programs on factors such as price, efficiency, repair and maintenance factors and timely delivery, which are outside the Company's direct control.*
- *The Company competes for manufacturing and engineering talent in a competitive labor market. Personnel turnover and training costs could negatively impact the Company's operations.*

Additional information about potential factors that could affect the Company's business and financial results is included in Item 1A "Risk Factors" and under the caption "Factors That May Affect Future Results" after Item 7 in the Company's Annual Report on Form 10-K for the year ended February 26, 2017 and in subsequent reports filed with or furnished to the Securities and Exchange Commission. Except as may be required by any applicable laws, Park assumes no obligation to publicly update such forward-looking statements, which are made as of the date hereof or the earlier date specified herein, whether as a result of new information, future developments, or otherwise.

Financial Highlights

- Park Paid off its Bank Loan in full on January 3, 2018; Balance was $68.5 Million. Park now has zero long-term debt.

- Park's Board of Directors declared a special dividend of $3.00 per share payable February 13, 2018 to shareholders of record on January 23, 2018. The total amount of the dividend will be $60.7 Million.

- Including this $3.00 per share dividend and the regular quarterly $0.10 per share dividend declared December 19, 2017 and payable February 6, 2018 to shareholders of record on January 2, 2018, Park will have paid $412 Million, or $20.10 per share, of Cash Dividends since the beginning of FY05.

Strategic Evaluation of Park's Electronic Business

- Park has decided to conduct a strategic evaluation of Park's Iconic Electronics Business, including the potential sale of the Electronics Business.
- Park has retained Greenhill & Co., LLC to assist in the strategic evaluation of Park's Electronics Business, including the potential sale of the Electronics Business.
- Park expects to complete the strategic evaluation of its Electronics Business during the Second Quarter of Park's FY19. However, no specific timetable has been set, and there can be no assurance that a sale or any other transaction will take place as a result of the strategic evaluation.

Park's Iconic Electronics Business (AKA "Nelco")

- Develops and Manufactures high-technology digital and RF/Microwave Printed Circuit Materials principally for the Service Provider Infrastructure, Enterprise, Military/Aerospace and Semiconductor Test Markets.

- Global Business with manufacturing locations in Singapore, France, California and Arizona and R & D facilities in Singapore and Arizona.

- Auspicious Beginning in 1961 on ground floor of Modern Electronics Industry.
  - ✓ "NELCO" in Stamford, CT
  - ✓ $200 Thousand Investment

- Much Innovation starting in Early Days, including development of Multi-Layer Circuit Boards in 1962.

Park's Iconic Electronics Business (Continued)

- Something Built From Nothing; True Lasting Value Built the Park Way:
  - ✓ Being true to Park's Principles
  - ✓ Hard Work
  - ✓ Perseverance

- Wonderful Products, Wonderful Technology and especially Wonderful People…

Why Consider Sale of Electronics Business?

- Park is a Small Company with Limited and Focused Resources By Design.
- Electronics and Aerospace are very Different Industries with very Different Technologies and Markets.
- We will look for a New Owner for our Electronics Business which has the Resources (Human and Financial), Focus and Capability to enhance and develop the full potential of Park's Electronics Business and Provide it with the Future it Deserves.
- We will look for a transaction which is in the best interest of our Investors, our Electronics Business and our Electronics Business People, Customers and OEMs.
- If we sell our Electronics Business, the Buyer will be very Fortunate to own such a Special Business.

Park's Aerospace Business

- Develops and Manufactures Hot-Melt and Solution Advanced Composite Materials for the Aerospace Industry. Park also designs and manufactures composite parts, assemblies and primary and secondary structures and low-volume tooling for the Aerospace Industry.
- Principle Manufacturing, Design and R & D Facility located in Newton, Kansas, with satellite manufacturing facility located in Singapore.
- January 2007…Park Commits to Aerospace as second major area of business focus.
- August 2007…Park locates farm field in Newton, Kansas as site for its new Aerospace Facility.

Park's Aerospace Business (Continued)

- January 17, 2008…Ground-breaking of facility in Newton, Kansas.
- 2014…Park goes into production on first program for Major Jet Engine Manufacturer.
- Park's very special Aerospace Business was built from Nothing (a farm field producing wheat 10 years ago), but now it is a business with True Lasting Value Built the Park Way:
  - ✓ Staying true to Park's Principles
  - ✓ Hard Work
  - ✓ Perseverance in the face of extreme adversity and significant challenges
- Park's Aerospace Business has not yet achieved Greatness, which is our singular objective, but it is a very special business with significant opportunities…

Major Jet Engine Company

- Year Two of 13 Year LTA with Repricing after Year 3 and Year 8.
- Sole Source on multiple Engine Nacelle and Thrust Reverser Programs, including:
  - ✓ 747-8 with Genx 2B Engines
  - ✓ A320NEO with LEAP-1A Engines
  - ✓ Comac 919 with LEAP-1C Engines
  - ✓ Bombardier Global 7000/8000 with Passport 20 Engines
- Park Materials are Sole Source on large internal fixed structure component for new engine program ramping up production.
- Park Materials also Qualified for internal fixed structure components for multiple engine programs.

Major Jet Engine Company (Continued)

- Multiple joint development and collaboration efforts leading to qualifications of new Park Products on major engine programs. Qualifications for two additional new Park Products expected to be complete in FY19.

- Development Program related to large composite parts produced by Park using Park Materials.

- Redundant Factory?

Significant Opportunities with Major Aerospace Company

- Qualification in Progress for Park Materials Related to Two important OEM specifications; Qualifications expected to be complete in FY19 Q1.

- Additional Specifications under review for Park Materials.

- Significant Opportunities related to spares and other composite parts for Multiple Legacy Military Aircraft Programs.

Textron's Scorpion ISR/Strike Tactical Aircraft

- Park produced large quantities of composite parts and assemblies and low-volume tooling for Textron's Scorpion Jet Demo Unit One which had its maiden flight on December 12, 2013.

- Park produced large quantities of composite parts and assemblies and low-volume tooling for all Production Conforming Scorpion Jets.

First Production Conforming Scorpion Jet taking off for its Maiden Flight on December 22, 2016

The Future

- If Park's Electronics Business is sold, Park will become an Aerospace Only Company.
- Park's Opportunities in Aerospace are now very significant (after 10 Years of Hard Work and Perseverance).
- If Park's Electronics Business is sold, Park will be able to focus 100% of its efforts, attention and resources on its Aerospace Business and Park's Significant Opportunities in the Aerospace Industry.
- Because of the status Park has earned in the Aerospace Industry, Park may be very well positioned to take advantage of fairly unique strategic opportunities, including acquisition opportunities, in the Aerospace Industry.
- Park has very carefully redesigned its cost structure for the future from the bottom up in the event its Electronics Business is sold and Park becomes an Aerospace Only Company.

Park's Baseline Pro-Forma Forecast Estimates Assuming Park's Electronics Business is Sold

	FY19	FY20	FY21	FY22
Sales	\$50M to \$54M	\$58M to \$63M	\$67M to \$72M	\$76M to \$82M
EBITDA	\$10.5M to \$13M	\$14M to \$16.5M	\$17M to \$20M	\$21M to \$24M
EBIT	\$9M to \$11.5M	\$12.5M to \$15M	\$15M to \$18M	\$19M to \$22M

- FY19 Pro-Forma assumes Sale of Electronics Business was complete at beginning of FY19 and all legacy costs ended at beginning of FY19.
- Pro-Forma Forecast Assumes Organic Growth Only and no Additional Revenue from New Significant Opportunities or Acquisitions.
- Note that Jet Engine Company Forecast does not top out until FY25.
- Assumptions Regarding Tax Rates and Interest Income.

Additional Financial Commentary

- Although there still is uncertainty regarding the new tax law, Park currently estimates that it will pay approximately $20 Million in taxes related to its overseas earnings and cash. (Park estimates that the repatriation of all of its overseas cash would have resulted in a tax liability of approximately $60 million before the change in the tax law.)

- Net of this estimated $20M tax and after paying off the bank loan and paying for the Special Dividend and recently declared Regular Dividend discussed above, Park estimates it will have cash of between approximately $90 million and $95 million.

- Factors relating to Future use of Cash
  - ✓ Proceeds from Possible Sale of Electronics Business
  - ✓ Deeper Understanding of New Tax Law
  - ✓ Unique Acquisition Opportunities

- Park's Regular Dividend


Thank You!
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