

Park Electrochemical Corp.

January 3, 2019 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 January 3, 2019. 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 2019 third quarter earnings news release dated January 3, 2019 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 third quarter ended November 25, 2018 on or about January 4, 2019. We make available free of charge on or through our website located at 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 January 3, 2019 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 February 25, 2018 various factors that could affect future results. Those factors are found in Items 1 and 1A of that Form 10-K. Any forward-looking statements we may make are subject to those factors.

As previously reported, Park sold its Electronics Business to AGC Inc. on December 4, 2018. Accordingly, my comments will focus on Park’s Aerospace Business, the business which remains with Park going forward. All comparisons to prior periods have been updated to exclude Park’s former Electronics Business.

I’d like to briefly review some of the items in our fiscal year 2019 third quarter ended November 25, 2018 P&L.

Park’s sales were \$12.9 million in the 2019 fiscal year third quarter compared to \$10.3 million in the 2018 fiscal year third quarter and \$11.2 million in the 2019 fiscal year second quarter.

Gross Profit for the 2019 fiscal year third quarter was \$4.3 million, or 33.3% of sales, compared to \$3.0 million, or 29.0% of sales, for the 2018 fiscal year third quarter and \$3.1 million, or 28.1% of sales, for the 2019 fiscal year second quarter.

Selling, general and administrative expenses for the 2019 fiscal year third quarter were \$2.0 million, or 15.4% of sales, compared to \$2.5 million, or 24.5% of sales, for the 2018 fiscal year third quarter and \$2.1 million, or 18.9% of sales, for the 2019 fiscal year second quarter. Investment income, net of interest expense, in the 2019 fiscal year third quarter was \$393,000 compared to \$45,000 in the 2018 fiscal year third quarter and \$357,000 in the 2019 fiscal year second quarter.

Earnings before income taxes for the 2019 fiscal year third quarter were \$2.7 million, or 21.0% of sales, compared to \$0.5 million, or 4.9% of sales, for the 2018 fiscal year third quarter and \$1.4 million, or 12.4% of sales, for the 2019 fiscal year second quarter.

Net earnings for the 2019 fiscal year third quarter were \$2.1 million, or 16.2% of sales, compared to \$0.3 million, or 3.4% of sales, for the 2018 fiscal year third quarter and \$1.8 million, or 16.3% of sales, for the 2019 fiscal year second quarter. The 2019 fiscal year second quarter net earnings included a one-time tax benefit of \$0.8 million related to the Tax Cuts and Jobs Act enacted in December 2017.

Depreciation and amortization expense in the 2019 fiscal year third quarter was \$452,000 compared to \$463,000 in the 2018 fiscal year third quarter and \$434,000 in the 2019 fiscal year second quarter. Capital expenditures in the 2019 fiscal year third quarter were \$229,000 compared to \$63,000 in the 2018 fiscal year third quarter and \$160,000 in the 2019 fiscal year second quarter.

EBITDA for the 2019 fiscal year third quarter was \$2.9 million compared to \$1.2 million for the 2018 fiscal year third quarter and \$1.7 million for the 2019 fiscal year second quarter. EBITDA for the 2019 fiscal year's first nine months was \$6.0 million compared to \$3.4 million for last year's comparable period.

The effective tax rate before special items was 22.9% in the 2019 fiscal year third quarter compared to 31.3% in the 2018 fiscal year third quarter and 25.3% in the 2019 fiscal year second quarter.

For the 2019 fiscal year third quarter, the top five customers were AAE Aerospace, GE (including its subcontractors), GKN, Kratos and Meggitt, in alphabetical order. The top five customers totaled approximately 68% of total sales during the 2019 third quarter. Our top 10 customers totaled approximately 78% of total sales and the top 20 customers totaled approximately 88% of total sales for the 2019 fiscal year third 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 aerospace industry, 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 under the caption "Factors That May Affect Future Results" in Item 1 and in Item 1A "Risk Factors" of Park's Annual Report on Form 10-K for the fiscal year ended February 25, 2018. 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 2018 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.