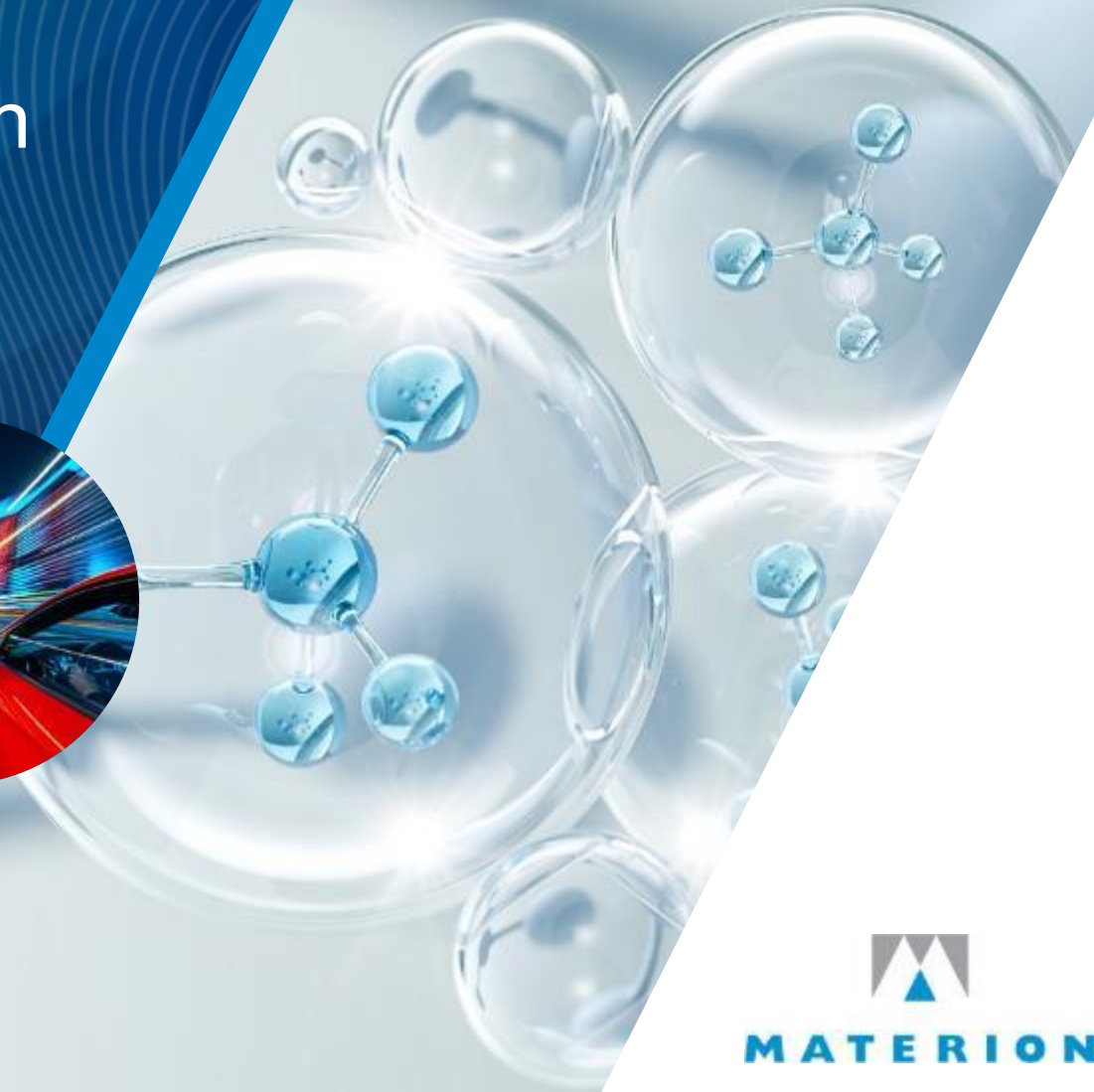


# Materion Corporation 1Q 2026 Earnings Presentation

*April 29, 2026*



**MATERION**

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# Agenda

## Introduction

Kyle Kelleher – Director, Investor Relations and Corporate FP&A

## Opening Remarks & Business Update

Jugal Vijayvargiya – President and Chief Executive Officer

## Financial Review

Shelly Chadwick – Vice President and Chief Financial Officer

## Q&A

Question and Answer Session

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# Forward-looking Statements and Non-GAAP Financial Information

These slides contain (and the accompanying oral discussion will contain, where applicable) “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially from the results expressed or implied by these statements as a result of a variety of factors. These factors include, in addition to those mentioned elsewhere herein: the global economy, including inflationary pressures, potential future recessionary conditions and the impact of tariffs and trade agreements; the impact of any U.S. Federal Government shutdowns or sequestrations; the condition of the markets which we serve, whether defined geographically or by segment; changes in product mix and the financial condition of customers; our success in developing and introducing new products and new product ramp-up rates; our success in passing through the costs of raw materials to customers or otherwise mitigating fluctuating prices for those materials, including the impact of fluctuating prices on inventory values; our success in identifying acquisition candidates and in acquiring and integrating such businesses; the impact of the results of acquisitions on our ability to fully achieve the strategic and financial objectives related to these acquisitions; our success in implementing our strategic plans and the timely and successful start-up and completion of any capital projects; other financial and economic factors, including the cost and availability of raw materials (both base and precious metals), physical inventory valuations, metal consignment fees, tax rates, exchange rates, interest rates, pension costs and required cash contributions and other employee benefit costs, energy costs, regulatory compliance costs, the cost and availability of insurance, credit availability, and the impact of the Company’s stock price on the cost of incentive compensation plans; the uncertainties related to the impact of war, terrorist activities, and acts of God; changes in government regulatory requirements and the enactment of new legislation that impacts our obligations and operations, including changes in tax regulations or guidance promulgated pursuant to the new legislation implemented in the One Big Beautiful Bill Act; the conclusion of pending litigation matters in accordance with our expectation that there will be no material adverse effects; the disruptions in operations from, and other effects of, catastrophic and other extraordinary events including outbreaks of infectious diseases and other extraordinary events including geopolitical events such as the conflict between Russia and Ukraine and the conflict between the United States and Iran and other risk factors disclosed in periodic reports filed with the Securities and Exchange Commission. Consequently, these forward-looking statements should be regarded as the Company’s Current plans, estimates, and beliefs.

The Company does not undertake and specifically declines any obligation to update or publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

To supplement our consolidated financial statements presented in accordance with GAAP, the Company considers certain financial measures that are not prepared in accordance with GAAP, including value-added sales (VA sales), adjusted earnings before interest and taxes depreciation and amortization (EBITDA), adjusted net income, adjusted earnings per diluted share and net debt (cash). The Company uses these non-GAAP financial measures, in addition to GAAP financial measures, to evaluate our operating and financial performance and to compare such performance to that of prior periods and to the performance of our competitors. Also, the Company uses these non-GAAP financial measures in making operational and financial decisions and in establishing operational goals. The Company also believes providing these non-GAAP financial measures to investors, as a supplement to GAAP financial measures, helps investors evaluate our operating and financial performance and trends in our business, consistent with how management evaluates such performance and trends. The Company also believes these non-GAAP financial measures may be useful to investors in comparing its performance to the performance of other companies, although its non-GAAP financial measures are specific to the Company and the non-GAAP financial measures of other companies may not be calculated in the same manner.

It is not possible for the Company to identify the amount or significance of future adjustments associated with potential insurance and litigation claims, legacy environmental costs, acquisition and integration costs, certain income tax items, or other non-routine costs that the Company adjusts in the presentation of adjusted earnings guidance. These items are dependent on future events that are not reasonably estimable at this time. Accordingly, the Company is unable to reconcile without unreasonable effort the forecasted range of adjusted earnings guidance for the full year to a comparable GAAP range. However, items excluded from the Company’s adjusted earnings guidance include the historical adjustments noted in slides 20 through 26 in the appendix.

For more information on Non-GAAP measures, please refer to the appendix.



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# Opening Remarks & Business Update

Jugal Vijayvargiya

President and Chief Executive Officer



# Q1 2026 Highlights

## Order Book Acceleration Continues; Exceptional Profitability Improvement in Electronic Materials and Precision Optics

**Value-added (VA) sales of \$261.8 million, up 10% YoY excluding precision clad strip**

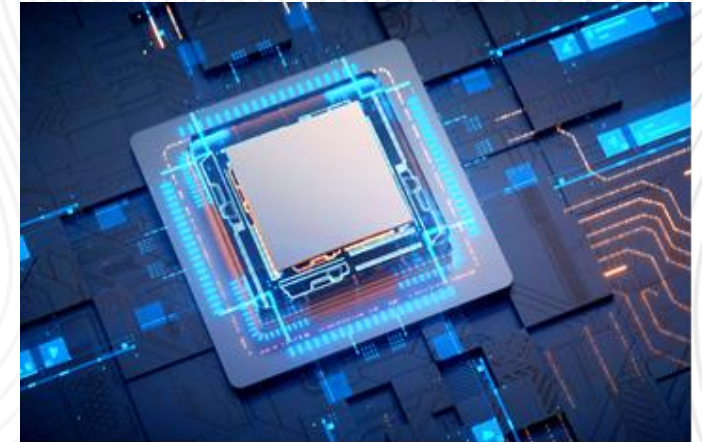
- Up 1% YoY driven by growth across most end markets
- Electronic Materials up 18% YoY
- Precision Optics up 43% YoY; highest quarterly sales since 2021

**Adjusted EBITDA of \$52.9 million, or 20.2% of VA, up 140 bps YoY**

- Strongest start to the year with record 1<sup>st</sup> quarter adjusted EBITDA margin
- Increase driven primarily by higher volume, favorable price/mix and operational performance in Electronic Materials & Precision Optics
- Highest quarterly adjusted EBITDA and margin in Electronic Materials
- Fifth consecutive quarter of profitability improvement in Precision Optics; approaching 20% margin





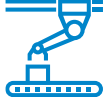











**Adjusted EPS of \$1.27, up 12% YoY**

**New business wins and end market strength improving growth outlook**



# End Market Performance

Q1 2026

Market	VA Sales	vs. Q1 2025	Comments
 <b>Semiconductor</b>	\$79.5	 16%	<ul style="list-style-type: none"> <li>▪ Capturing outsized growth from proliferation of AI and new business wins</li> <li>▪ Strongest Q1 since 2023, third consecutive quarter of YoY growth</li> </ul>
 <b>Aerospace &amp; Defense</b>	\$52.5	 11%	<ul style="list-style-type: none"> <li>▪ Increase driven by continued growth in space and defense</li> <li>▪ Strong Q1 order rate supports full year double digit growth expectation</li> </ul>
 <b>Industrial</b>	\$42.8	 8%	<ul style="list-style-type: none"> <li>▪ Increase due to market strength across all businesses</li> </ul>
 <b>Consumer Electronics</b>	\$26.3	 -44%	<ul style="list-style-type: none"> <li>▪ Reflects lower precision clad strip sales as production ramps</li> </ul>
 <b>Energy</b>	\$17.0	 13%	<ul style="list-style-type: none"> <li>▪ Decrease driven by order timing; with large one-time shipment in Q1 '25</li> </ul>
 <b>Automotive</b>	\$14.2	 4%	<ul style="list-style-type: none"> <li>▪ New business wins in Precision Optics</li> </ul>
 <b>Life Sciences</b>	\$10.1	 15%	<ul style="list-style-type: none"> <li>▪ Increase driven by strength in Precision Optics</li> <li>▪ Third consecutive quarter of YoY growth</li> </ul>
 <b>Telecom &amp; Data Center</b>	\$9.1	 7%	<ul style="list-style-type: none"> <li>▪ AI continues to support strong demand for data and undersea cable connectors</li> <li>▪ Fourth consecutive quarter of YoY growth</li> </ul>

# 2026 Sales Outlook Improving; Now Expecting Double-Digit YoY Growth






- Q1 '26 value-added sales up 10% YoY excluding precision clad strip
- Record backlog up 20%+ YoY and ~15% since the beginning of the year
- Continued momentum in defense with incoming orders of ~\$60M in Q1 and \$300M+ in open RFQs
- Incoming order rate acceleration supports improved top-line outlook
- Over last twelve months\*:
  - Aerospace & Defense orders up ~50%
  - Energy order rates up ~20%
  - Semiconductor order rates up ~10%



# Materion Enabling the Proliferation of AI





## Data Centers



-  Semiconductor materials for **high performance memory and data storage**
-  Beryllium (Be) nickel material for **fire protection**
-  Alloys for **connector technology**
-  Components for **high-speed fab processing equipment**
- 


## Connectivity



-  Vast portfolio of deposition materials for **semiconductor chips**
-  Optics and alloy materials for **fabrication equipment components**
-  Alloys for **wireless infrastructure** (towers, undersea, base stations)
-  Optics for **AR/VR and other applications**





## Energy



-  Be materials and other alloys serving **nuclear reactor technology**
-  ToughMet, Be alloys and optics for **oil & gas drilling and processing equipment**
-  ToughMet, alloyed materials and sputtering targets for **hydrogen ecosystem**

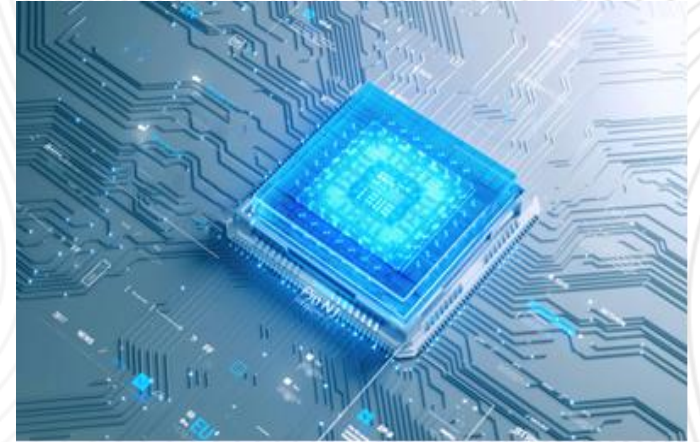
## Space



-  Materials for **rocket launch components**
-  Broad portfolio of alloys for **satellite technology**
-  Base station components for **satellite communications**
-  Optics and structures for **science, research, and exploration devices**

# Key Takeaways

- **Momentum building as new business initiatives and market strength set the stage for record year**
- **Q1 '26 adjusted EBITDA margin of 20.2%, 140 bps margin expansion**
- **Electronic Materials delivered highest quarterly EBITDA and margin**
- **Precision Optics delivered a 4<sup>th</sup> consecutive quarter of sales growth, surpassing \$30M for the first time since 2021**
- **Financial Outlook**
  - Revising top line expectation from “mid-single digit+” to “low-double digit”
  - Expect to deliver toward higher end of the earnings guidance range
  - Achieve >20% adjusted EBITDA margin for the full year
  - Deliver strong free cash flow with higher earnings and working capital improvements



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# Financial Review

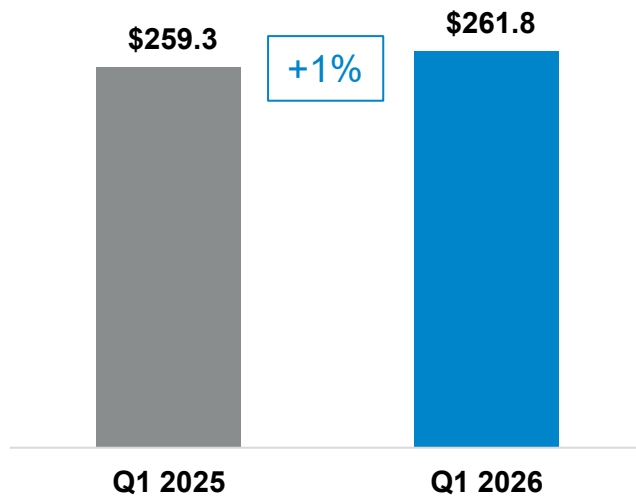
Shelly Chadwick

Vice President and Chief Financial Officer



# Q1 2026 Operating Performance

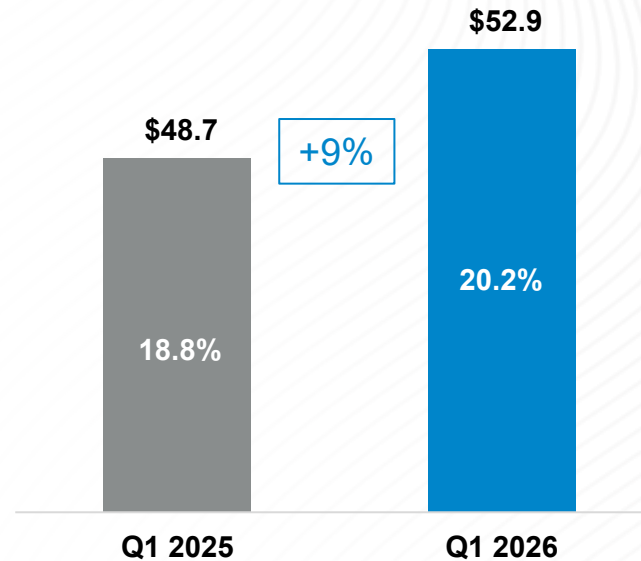
## Value-added Sales (\$M)



Value-added sales were \$261.8 million, up 1% YoY

- Excluding precision clad strip, up 10% YoY
- Increase driven by strong growth across most end markets
- Electronic Materials up 18% YoY
- Precision Optics up 43% YoY; highest quarterly sales since 2021

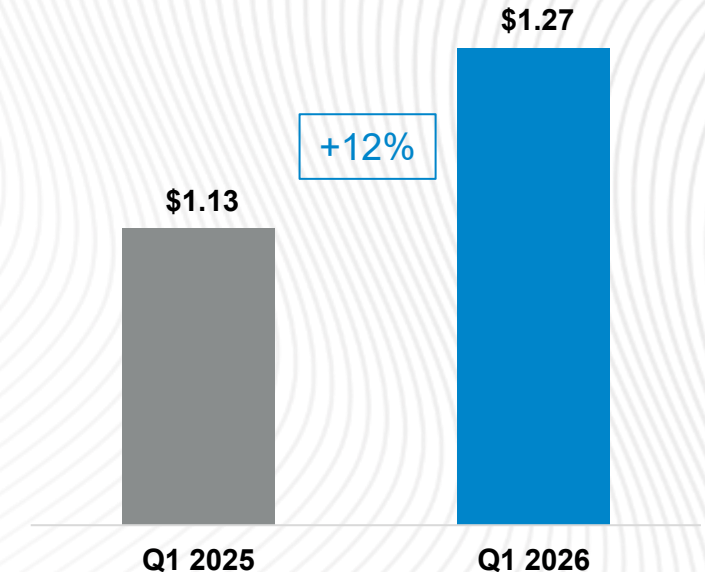
## Adj. EBITDA (\$M)



Adjusted EBITDA at \$52.9 million, margin of 20.2%

- Record 1<sup>st</sup> quarter adjusted EBITDA margin
- Delivered 140 bps YoY of margin improvement
- Increase driven primarily by higher volume, favorable price/mix and operational performance in Electronic Materials & Precision Optics

## Adj. EPS



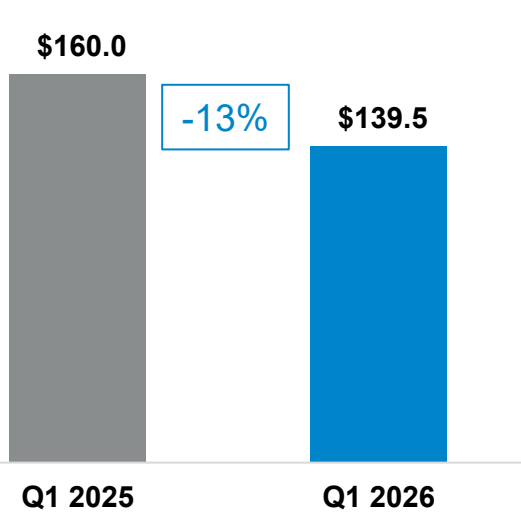
Adjusted EPS of \$1.27, up 12% YoY



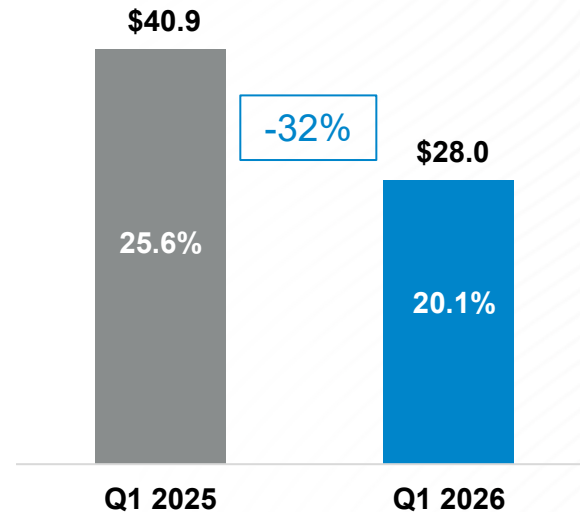


# Performance Materials Segment

## Value-added Sales (\$M)



## Adj. EBITDA (\$M)



## Value-added sales of \$139.5 million

- Decrease driven primarily by lower precision clad strip volume
- Remainder of business flat YoY; strength in aerospace & defense and telecom & data center, offset by lower energy sales (timing)

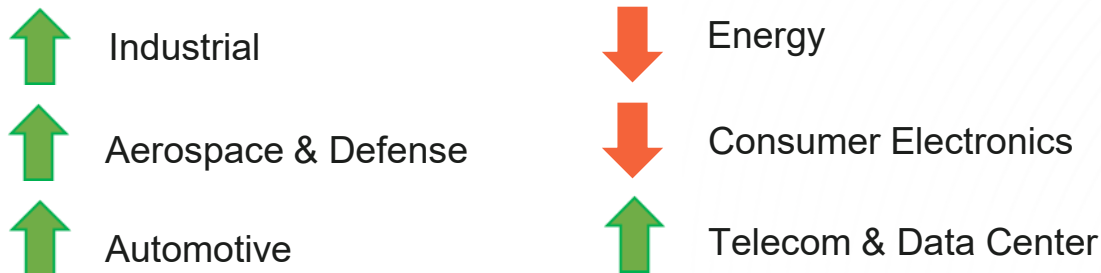
## Adjusted EBITDA of \$28.0 million, or 20.1% of VA

- Decrease driven by lower precision clad strip volume and impact of unfavorable operational performance from prior year

## Outlook:

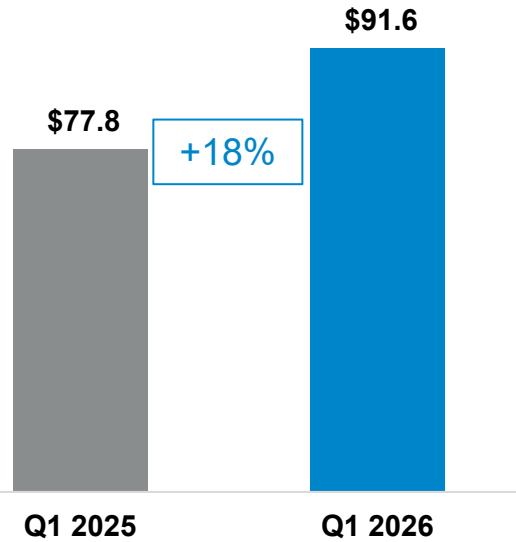
- Expect meaningful step up in top and bottom line in Q2 led by stronger aerospace & defense and PMI shipments
- Further improvement expected in back half
- Continued focus on operational improvement initiatives

## Q1 Performance by End Market

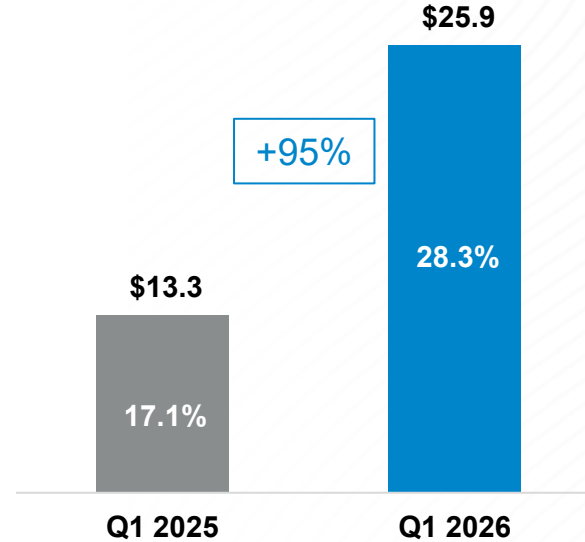


# Electronic Materials Segment

## Value-added Sales (\$M)



## Adj. EBITDA (\$M)



## Value-added sales of \$91.6 million, up 18% YoY

- Increase driven primarily by strength in semiconductor
- Growth supported by proliferation of AI, fueling high-performance memory demand and new business wins

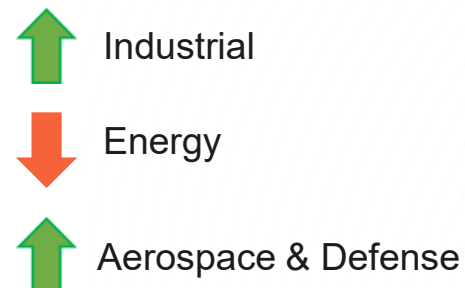
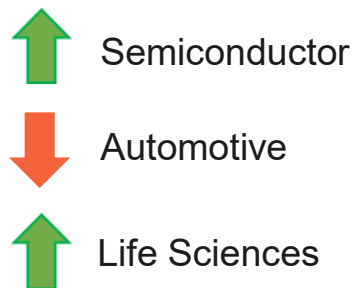
## Record adjusted EBITDA of \$25.9 million, up 95% YoY

- Increase driven by higher volume, favorable price/mix and strong operational performance
- 4<sup>th</sup> consecutive quarter of YoY margin expansion

## Outlook:

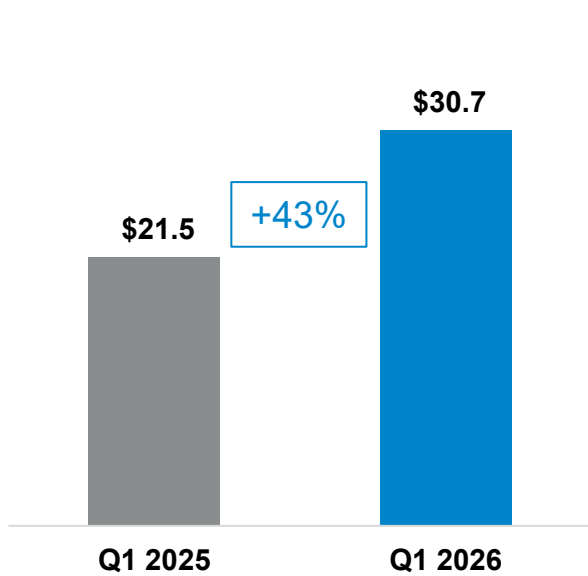
- Continued top-line growth primarily from semiconductor market upturn and outgrowth

## Q1 Performance by End Market

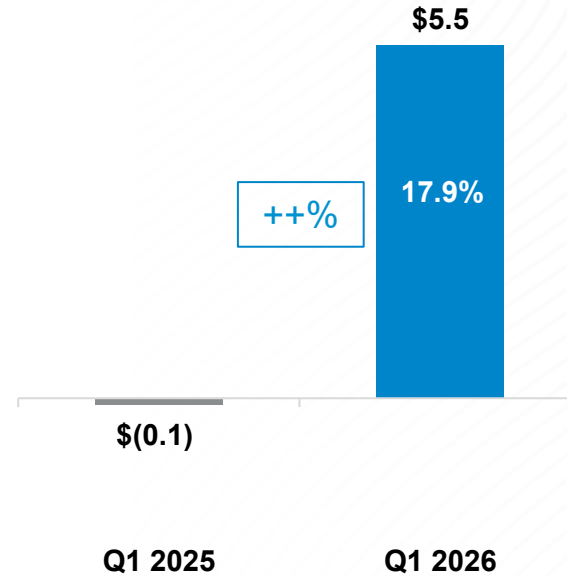


# Precision Optics Segment

## Value-added Sales (\$M)



## Adj. EBITDA (\$M)



## Value-added sales of \$30.7 million, up 43% YoY

- Increase led by market improvement and new business opportunities across each end market
- 4<sup>th</sup> consecutive quarter of top-line improvement, highest quarterly sales since 2021

## Adjusted EBITDA of \$5.5 million, or 17.9% of VA

- Increase driven by higher volume, favorable price/mix and performance
- 5<sup>th</sup> consecutive quarter of bottom-line improvement

## Outlook:

- Business transformation continues contributing towards top and bottom-line improvement
- New business initiatives in space, defense, semiconductor, automotive contribute to continued YoY growth

## Q1 Performance by End Market



# Cash, Debt and Liquidity

(\$M)	Q1 2025	Q1 2026
Short-term Debt	\$52.6	\$23.1
Long-term Debt	\$398.7	\$466.9
<b>Total Debt</b>	<b>\$451.3</b>	<b>\$490.0</b>
Cash & Cash Equivalents	\$15.6	\$16.2
<b>Net Debt (Cash)</b>	<b>\$435.7</b>	<b>\$473.8</b>
TTM Adjusted EBITDA	\$224.7	\$221.2
Net Debt (Cash) / TTM Adj. EBITDA	1.9x	2.1x

**Leverage slightly below midpoint of target range of 1.5x – 3x**

**Approximately \$192 million available on revolving credit facility**

- Adequate liquidity remains to support growth initiatives

**No share buyback activity this quarter**

- Board authorization in place for up to \$50M of shares

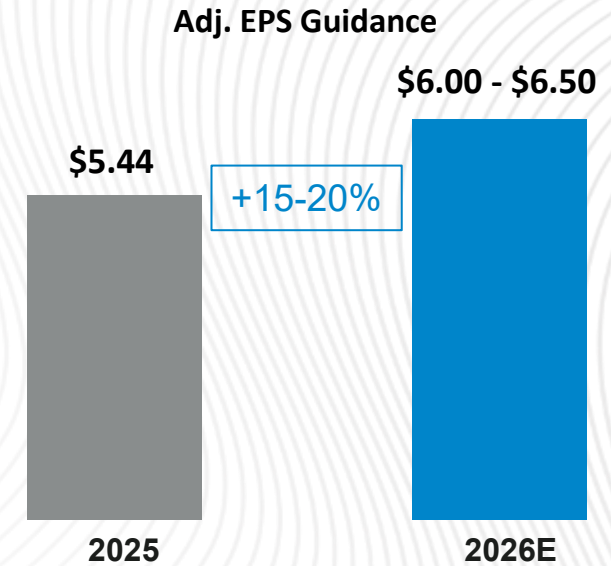
**Balanced capital allocation approach, prioritizing organic investment**

**Inventory build in Q1 for expected sales growth; Strong free cash flow expectations for full year intact**

# Full Year 2026 Guidance

## 2026 Guidance

- Full year adjusted EPS guidance of **\$6.00 - \$6.50**
- Increased optimism in achieving upper end of the range
- Expect sequential improvement throughout the year



## 2026 Modeling Assumptions

Capital Expenditures	\$75M	Interest Expense	\$28M
Mine Development – New Pit Openings	\$25M	Effective Tax Rate	13-14%
Depreciation and Amortization	\$73M	Acquisition Amortization	\$10M



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# Invest in Materion as We Advance Our Strategy



Becoming a global leader in high-performing advanced materials serving diverse and attractive markets well aligned with megatrends



Building robust pipeline with investments in R&D as we focus on developing innovative solutions for our customers



Leveraging strong cash flow and deploying a disciplined, strategic approach toward profitable growth opportunities, both organic and inorganic



Energized management team laser focused on execution and increasing value for all stakeholders

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# Appendix

# Reconciliation for Value-added Sales

(Millions)	First Quarter Ended	
	April 3, 2026	March 28, 2025
<b>Net Sales</b>		
Performance Materials	\$ 155.7	\$ 174.0
Electronic Materials	363.3	224.8
Precision Optics	30.8	21.5
Other	—	—
Total	\$ 549.8	\$ 420.3
<b>Less: Pass-through Metal Cost</b>		
Performance Materials	\$ 16.2	\$ 14.0
Electronic Materials	271.7	147.0
Precision Optics	0.1	—
Other	—	—
Total	\$ 288.0	\$ 161.0
<b>Value-added Sales (non-GAAP)</b>		
Performance Materials	\$ 139.5	\$ 160.0
Electronic Materials	91.6	77.8
Precision Optics	30.7	21.5
Other	—	—
Total	\$ 261.8	\$ 259.3

*The cost of gold, silver, platinum, palladium, copper, ruthenium, iridium, rhodium, rhenium, and osmium is passed through to customers and, therefore, the trends and comparisons of net sales are affected by movements in the market price of these metals. The use of value-added sales allows management to assess the impact of differences in net sales and analyze the resulting profitability without the distortion of metal pricing movements, which the Company believes would be useful information for investors.*



# Reconciliation for Non-GAAP Measures

(Millions)	First Quarter Ended	
	April 3, 2026	March 28, 2025
<b>Operating Profit</b>		
Performance Materials	\$ 12.9	\$ 31.3
Electronic Materials	20.9	6.8
Precision Optics	2.2	(4.1)
Other	(7.8)	(6.8)
Total	\$ 28.2	\$ 27.2
<b>Non-Operating (Income)/Expense</b>		
Performance Materials	\$ 0.1	\$ —
Electronic Materials	—	—
Precision Optics	(0.2)	(0.3)
Other	(0.2)	(0.4)
Total	\$ (0.3)	\$ (0.7)
<b>Depreciation, Depletion, and Amortization</b>		
Performance Materials	\$ 11.0	\$ 9.4
Electronic Materials	4.6	4.3
Precision Optics	2.3	2.3
Other	0.5	0.5
Total	\$ 18.4	\$ 16.5
<b>Segment EBITDA</b>		
Performance Materials	\$ 23.8	\$ 40.7
Electronic Materials	25.5	11.1
Precision Optics	4.7	(1.5)
Other	(7.1)	(5.9)
Total	\$ 46.9	\$ 44.4

We have adjusted the results for certain special items such as restructuring and cost reduction initiatives (including costs associated with temporarily idled facilities), Electronic Materials inventory adjustment, business transformation costs, environmental remediation, Precision Optics impairments, additional start up resources and scrap, and merger, acquisition and divestiture related costs from the applicable GAAP financial measure. Management reviews the results of operations without the impact of these items to assess profitability from ongoing activities and believes this will assist investors in analyzing our financial results.



# Reconciliation for Non-GAAP Measures (Cont.)

<b>Special Items<sup>(2)</sup></b>			
Performance Materials	\$	4.2	\$ 0.2
Electronic Materials		0.4	2.2
Precision Optics		0.8	1.4
Other		0.6	0.5
Total	\$	6.0	\$ 4.3
<b>Adjusted EBITDA Excluding Special Items</b>			
Performance Materials	\$	28.0	\$ 40.9
Electronic Materials		25.9	13.3
Precision Optics		5.5	(0.1)
Other		(6.5)	(5.4)
Total	\$	52.9	\$ 48.7

We have adjusted the results for certain special items such as restructuring and cost reduction initiatives (including costs associated with temporarily idled facilities), Electronic Materials inventory adjustment, business transformation costs, environmental remediation, Precision Optics impairments, additional start up resources and scrap, and merger, acquisition and divestiture related costs from the applicable GAAP financial measure. Management reviews the results of operations without the impact of these items to assess profitability from ongoing activities and believes this will assist investors in analyzing our financial results.



# Reconciliation for Non-GAAP Measures (Cont.)

## Performance Materials

(Millions)	First Quarter Ended	
	April 3, 2026	March 28, 2025
Net sales	\$ 155.7	\$ 174.0
Pass-through metal cost	16.2	14.0
Value-added sales	\$ 139.5	\$ 160.0
EBITDA	\$ 23.8	\$ 40.7
Restructuring and cost reduction	0.6	0.2
Product quality issue	3.5	—
Business transformation costs	0.1	—
Adjusted EBITDA	\$ 28.0	\$ 40.9
<i>EBITDA as a % of Net sales</i>	15.3 %	23.4 %
<i>EBITDA as a % of Value-added sales</i>	17.1 %	25.4 %
<i>Adjusted EBITDA as a % of Net sales</i>	18.0 %	23.5 %
<i>Adjusted EBITDA as a % of Value-added sales</i>	20.1 %	25.6 %

## Electronic Materials

(Millions)	First Quarter Ended	
	April 3, 2026	March 28, 2025
Net sales	\$ 363.3	\$ 224.8
Pass-through metal cost	271.7	147.0
Value-added sales	\$ 91.6	\$ 77.8
EBITDA	\$ 25.5	\$ 11.1
Restructuring and cost reduction	0.4	0.5
Merger, acquisition and divestiture related costs	—	1.7
Adjusted EBITDA	\$ 25.9	\$ 13.3
<i>EBITDA as a % of Net sales</i>	7.0 %	4.9 %
<i>EBITDA as a % of Value-added sales</i>	27.8 %	14.3 %
<i>Adjusted EBITDA as a % of Net sales</i>	7.1 %	5.9 %
<i>Adjusted EBITDA as a % of Value-added sales</i>	28.3 %	17.1 %

## Precision Optics

(Millions)	First Quarter Ended	
	April 3, 2026	March 28, 2025
Net sales	\$ 30.8	\$ 21.5
Pass-through metal cost	0.1	—
Value-added sales	\$ 30.7	\$ 21.5
EBITDA	\$ 4.7	\$ (1.5)
Restructuring and cost reduction	0.8	1.4
Adjusted EBITDA	\$ 5.5	\$ (0.1)
<i>EBITDA as a % of Net sales</i>	15.3 %	(7.0)%
<i>EBITDA as a % of Value-added sales</i>	15.3 %	(7.0)%
<i>Adjusted EBITDA as a % of Net sales</i>	17.9 %	(0.5)%
<i>Adjusted EBITDA as a % of Value-added sales</i>	17.9 %	(0.5)%

## Other

(Millions)	First Quarter Ended	
	April 3, 2026	March 28, 2025
EBITDA	\$ (7.1)	\$ (5.9)
Restructuring and cost reduction	0.6	—
Merger, acquisition and divestiture related costs	—	0.4
Business transformation costs	—	0.1
Adjusted EBITDA	\$ (6.5)	\$ (5.4)

We have adjusted the results for certain special items such as restructuring and cost reduction initiatives (including costs associated with temporarily idled facilities), Electronic Materials inventory adjustment, business transformation costs, environmental remediation, Precision Optics impairments, additional start up resources and scrap, and merger, acquisition and divestiture related costs from the applicable GAAP financial measure. Management reviews the results of operations without the impact of these items to assess profitability from ongoing activities and believes this will assist investors in analyzing our financial results.

# Reconciliation for Non-GAAP Measures (Cont.)

(Millions)	First Quarter Ended April 3, 2026	Diluted EPS	First Quarter Ended March 28, 2025	Diluted EPS
Net income and EPS	\$ 19.4	\$ 0.92	\$ 17.7	\$ 0.85
<b>Special items</b>				
Restructuring and cost reduction	2.4		2.1	
Merger, acquisition and divestiture related costs	—		2.1	
Product quality issue	3.5		—	
Business transformation costs	0.1		0.1	
Provision for income taxes <sup>(1)</sup>	(0.7)		(0.5)	
<b>Total special items</b>	<b>5.3</b>	<b>0.25</b>	<b>3.8</b>	<b>0.18</b>
Adjusted net income and adjusted EPS	\$ 24.7	\$ 1.17	\$ 21.5	\$ 1.03
Acquisition amortization (net of tax)	2.0	0.10	2.2	0.10
Adjusted net income and adjusted EPS excl. amortization	\$ 26.7	\$ 1.27	\$ 23.7	\$ 1.13

We have adjusted the results for certain special items such as restructuring and cost reduction initiatives (including costs associated with temporarily idled facilities), Electronic Materials inventory adjustment, business transformation costs, environmental remediation, Precision Optics impairments, additional start up resources and scrap, and merger, acquisition and divestiture related costs from the applicable GAAP financial measure. Management reviews the results of operations without the impact of these items to assess profitability from ongoing activities and believes this will assist investors in analyzing our financial results.



# Reconciliation for Non-GAAP Measures (Cont.)

(Millions)	First Quarter Ended	First Quarter Ended
	April 3, 2026	March 28, 2025
Net sales	\$ 549.8	\$ 420.3
Pass-through metal cost	288.0	161.0
Value-added sales	\$ 261.8	\$ 259.3
Net income	\$ 19.4	\$ 17.7
Income tax expense	1.5	3.3
Interest expense - net	7.6	6.9
Depreciation, depletion and amortization	18.4	16.5
Consolidated EBITDA	\$ 46.9	\$ 44.4
<i>Net Income as a % of Net sales</i>	3.5 %	4.2 %
<i>Net Income as a % of Value-added sales</i>	7.4 %	6.8 %
<i>EBITDA as a % of Net sales</i>	8.5 %	10.6 %
<i>EBITDA as a % of Value-added sales</i>	17.9 %	17.1 %
Special items		
Restructuring and cost reduction	\$ 2.4	\$ 2.1
Merger, acquisition and divestiture related costs	—	2.1
Product quality issue	3.5	—
Business transformation costs	0.1	0.1
Total special items	6.0	4.3
Adjusted EBITDA	\$ 52.9	\$ 48.7
<i>Adjusted EBITDA as a % of Net sales</i>	9.6 %	11.6 %
<i>Adjusted EBITDA as a % of Value-added sales</i>	20.2 %	18.8 %

We have adjusted the results for certain special items such as restructuring and cost reduction initiatives (including costs associated with temporarily idled facilities), Electronic Materials inventory adjustment, business transformation costs, environmental remediation, Precision Optics impairments, additional start up resources and scrap, and merger, acquisition and divestiture related costs from the applicable GAAP financial measure. Management reviews the results of operations without the impact of these items to assess profitability from ongoing activities and believes this will assist investors in analyzing our financial results.



# Reconciliation for Non-GAAP Measures (Cont.)

(\$ in millions)	Q1 2026	Q1 2025	Q1 2026 TTM	Q1 2025 TTM
<b>GAAP as Reported</b>				
Net income	\$ 19.4	\$ 17.7	\$ 76.5	\$ 10.2
Income tax expense (benefit)	1.5	3.3	5.0	11.2
Interest expense	7.6	6.9	31.5	33.3
Depreciation, depletion, and amortization	18.4	16.5	70.9	68.9
<b>Consolidated EBITDA</b>	<b>46.9</b>	<b>44.4</b>	<b>\$ 183.9</b>	<b>\$ 123.6</b>
<b>Special Items</b>				
Restructuring and cost reduction	\$ 2.4	\$ 2.1	\$ 3.5	\$ 11.1
Electronic Materials inventory adjustment	—	—	0.0	2.8
Business transformation costs	0.1	0.1	0.8	1.4
Product quality issue	3.5	0.0	30.8	0.0
Environmental Remediation	—	—	0.6	—
Precision Optics impairments	—	—	—	73.2
Merger, acquisition and divestiture related costs	—	2.1	1.3	10.2
Pension settlement	—	—	0.3	—
Additional start-up resources and scrap	—	—	—	2.4
<b>Total Special Items</b>	<b>6.0</b>	<b>4.3</b>	<b>37.3</b>	<b>101.1</b>
<b>Adjusted EBITDA</b>	<b>\$ 52.9</b>	<b>\$ 48.7</b>	<b>\$ 221.2</b>	<b>\$ 224.7</b>

We have adjusted the results for certain special items such as restructuring and cost reduction initiatives (including costs associated with temporarily idled facilities), Electronic Materials inventory adjustment, business transformation costs, additional start up resources and scrap, and merger, acquisition and divestiture related costs from the applicable GAAP financial measure. Management reviews the results of operations without the impact of these items to assess profitability from ongoing activities and believes this will assist investors in analyzing our financial results.



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