Materion Corporation
2Q 2026 Earnings Presentation

August 5, 2026

MATERION

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

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 19 through 27 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

Q2 2026 Highlights

Delivered Record Sales and Earnings as Backlog Reaches New High

Record value-added (VA) sales of $308.2 million, up 15% YoY and up 18% sequentially

- Highest quarterly aerospace & defense sales and significant growth seen across semiconductor, industrial, energy and telecom & data center
- Each business segment delivered double-digit YoY sales growth

Record adjusted EBITDA of $71.8 million and margin of 23.3%, up 29% YoY

- Exceeded 23% adjusted EBITDA margin for the first time in Company's history
- Electronic Materials delivered record adjusted EBITDA margin of 32%; fifth consecutive quarter of margin expansion
- Sixth consecutive quarter of profitability improvement in Precision Optics; first time surpassing 20%+ adjusted EBITDA margin since 2021

Record adjusted EPS of $1.90, up 39% YoY and up 50% sequentially

Strong free cash flow generation of $59M in the quarter; ~150% conversion

Awarded ~$15M in new business to supply advanced materials critical to engine performance for a large commercial space customer

See appendix for reconciliations of value-added sales, adjusted EBITDA, adjusted EBITDA margin, adjusted EPS (which excludes acquisition amortization), free cash flow and free cash flow conversion to their most comparable GAAP financial measures. Certain data presented above has been rounded for presentation purposes.

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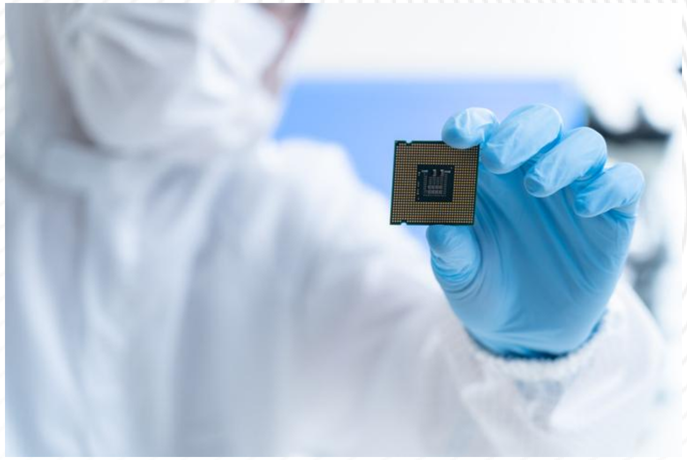
End Market Performance

Q2 2026			
Market	**VA Sales**	**vs. Q2 2025**	**Comments**
Semiconductor	$77.5	23%	▪ Fourth consecutive quarter of YoY growth as the proliferation of AI continues to drive broad-based momentum
Aerospace & Defense	$69.3	40%	▪ Delivered highest quarterly sales driven by new business initiatives and strong market growth ▪ Strong order bookings continue to support accelerated growth
Consumer Electronics	$47.9	-17%	▪ Decrease driven by lower precision clad strip sales ▪ Up 1% YoY excluding precision clad
Industrial	$44.7	16%	▪ Third consecutive quarter of YoY improvement with growth across each business segment
Energy	$18.9	21%	▪ Increase driven by new energy applications
Automotive	$15.1	-4%	▪ Slight decrease due to continued market softness
Telecom & Data Center	$11.4	49%	▪ Fifth consecutive quarter of YoY growth led by AI infrastructure buildout

2026 Sales Outlook Improving: Now Expecting Mid-Teens YoY Growth

- **Exited the quarter with record backlog, up ~30% YoY and up ~20% since the beginning of the year**
- **1H 2026 incoming orders reached new high, growing ~30% YoY**
- **Strong momentum continues in defense with record $90M of incoming orders and $500M+ in open RFQs**
- **Incoming orders in 1H 2026 vs 1H 2025:**
  - Space orders up ~100%
  - Aerospace and defense orders up ~50%
  - Semiconductor orders up ~20%



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Materion Enabling the Future of Space Systems

Satellites

- **Housings and thermal management** for optics
- **Semiconductor materials** for high-performance computing, power and communications systems
- **Optical filters and mirrors** for laser communication
- **Filter arrays** for Earth observation

In-space Propulsion

- **Be and alloyed materials** for microreactor components

Rovers & Exploration

- **Structural components and optical coatings & filters** for rovers and exploration vehicles

Surface Power

- **Be and alloyed materials** for microreactor components

Telescopes and Probes

- **Beryllium (Be) mirrors, optical filters and beamsplitters** for space-based telescopes
- **Alloyed materials** for deep-space probes
- **Semiconductor sensors** for image processing

Ground-to-space

- **Be components, optical coatings & filters** for observatories
- **Alloyed materials and precision clad strip** for heat shielding and base stations
- **Filters** for laser communication ground stations

Launch

- **Alloyed materials** for engine components, launch towers, vacuum nozzles, booster tiles and heat shielding
- **Precious metal and chemical materials** for engine components and thermal barrier coatings

Performance Materials | Electronic Materials | Precision Optics

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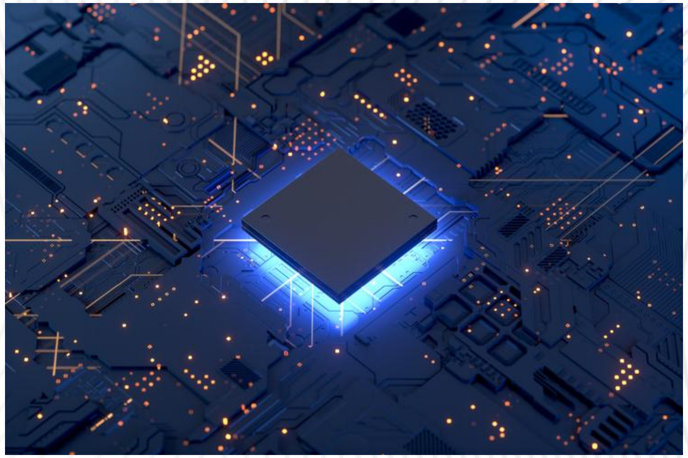
Key Takeaways

- **Delivered record quarterly VA sales, adjusted EBITDA and EPS**
- **Each business segment delivered double-digit YoY sales growth**
- **Exceeded 23% quarterly adjusted EBITDA margin for the first time in Company's history**
- **Strong free cash flow generation of $59M in the quarter; ~150% conversion**
- **Financial Outlook**
  - Increasing full year sales outlook again, now expecting mid-teens YoY growth
  - Raising full year adjusted EPS guidance range to $6.80 - $7.20, an increase of ~30% from 2025 at the midpoint
  - Driving meaningful progress towards achieving full-year adjusted EBITDA margin target of 23%
  - Expect to deliver strong free cash flow from higher earnings and working capital improvements



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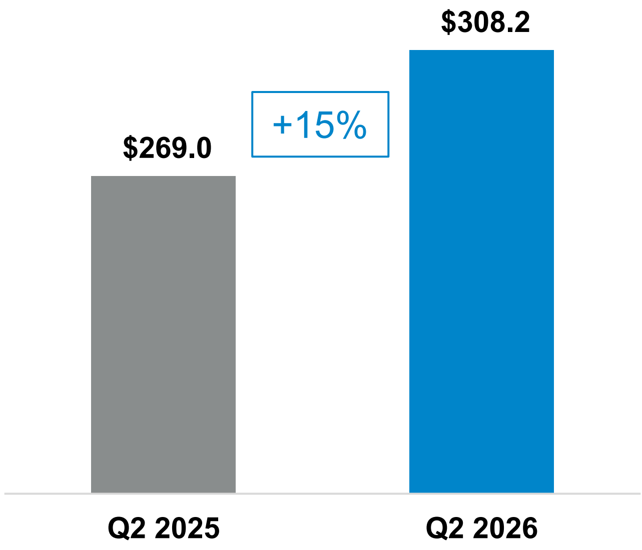
Financial Review

Shelly Chadwick

Vice President and Chief Financial Officer

Q2 2026 Operating Performance

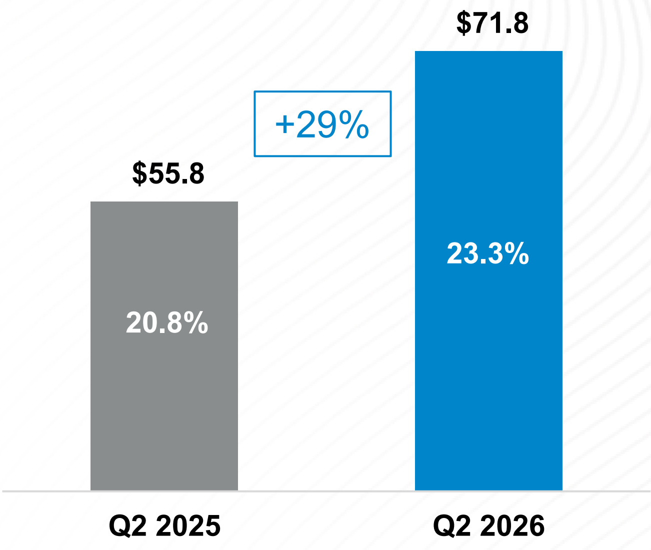
Value-added Sales ($M)



Record value-added sales of $308.2 million, up 15% YoY

- Highest quarterly aerospace & defense sales and significant growth seen across semiconductor, industrial, energy and telecom & data center
- Each business segment delivered double-digit YoY sales growth
- Up 18% sequentially

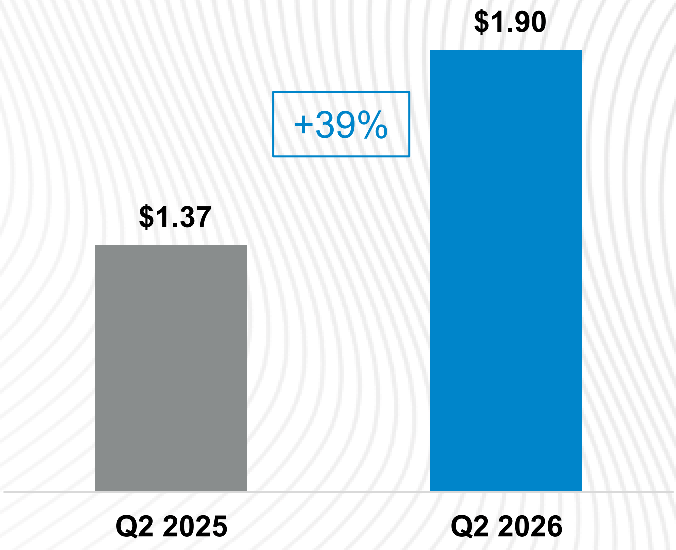
Adj. EBITDA ($M)



Record adjusted EBITDA at $71.8 million, or 23.3% of VA, up 250 bps YoY

- Exceeded 23% adjusted EBITDA margin for the first time in company's history
- Increase driven primarily by higher volume, strong price/mix and operational performance
- Up 36% sequentially

Adj. EPS



Record Adjusted EPS of $1.90, up 39% YoY

- Interest expense benefit of $0.03
- Tax headwind of $0.07
- Up 50% sequentially

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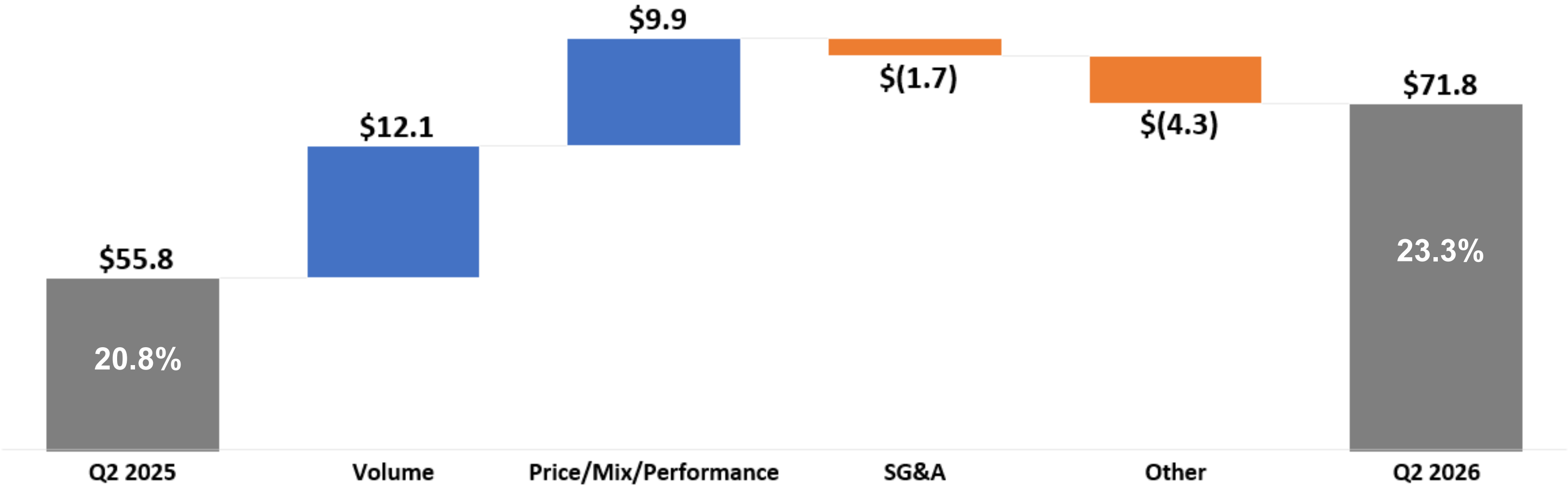
See appendix for reconciliations of value-added sales, adjusted EBITDA, adjusted EBITDA margin and adjusted EPS (which excludes acquisition amortization) to their most comparable GAAP financial measures. Certain data presented above has been rounded for presentation purposes.

Q2 2026 Financial Comparison

Record adjusted EBITDA of $71.8 million, or 23.3% of VA, up 250 bps YoY

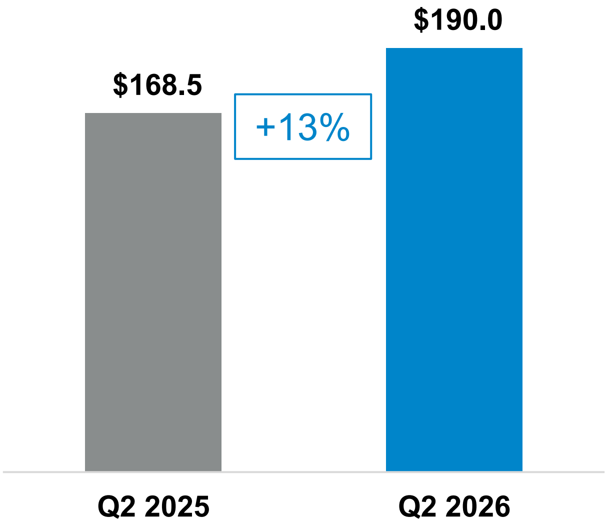
- Increase driven primarily by higher volume, strong price/mix and operational performance
- SG&A reflects growth-related investments including R&D
- Other includes currency impact and incentive compensation



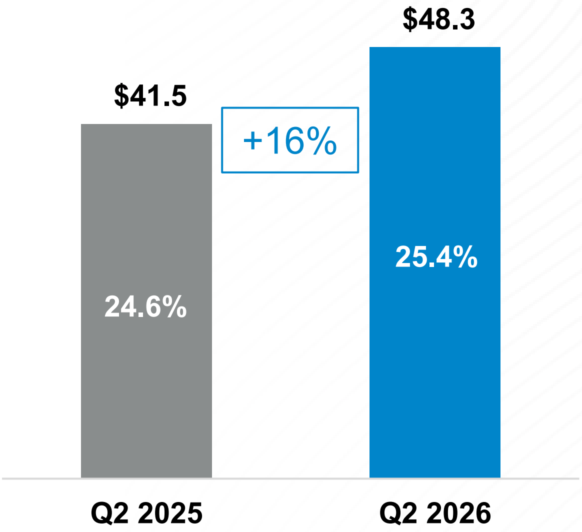
See appendix for reconciliations of value-added sales, adjusted EBITDA and adjusted EBITDA margin to their most comparable GAAP financial measures. Certain data presented above has been rounded for presentation purposes.

Performance Materials Segment

Value-added Sales ($M)



Adj. EBITDA ($M)



Q2 Performance by End Market

- ↑ Industrial
- ↑ Aerospace & Defense
- ↑ Automotive
- ↑ Energy
- ↓ Consumer Electronics
- ↑ Telecom & Data Center

Value-added sales of $190.0 million, up 13% YoY

- Increase driven by significant growth across aerospace & defense, telecom & data center, energy and semiconductor end markets
- Up 36% sequentially driven by new business initiatives and favorable market dynamics, alongside normalization of precision clad strip

Adjusted EBITDA of $48.3 million, or 25.4% of VA, up 80 bps YoY

- Increase driven by higher volume and strong price/mix
- 530 bps of sequential margin improvement

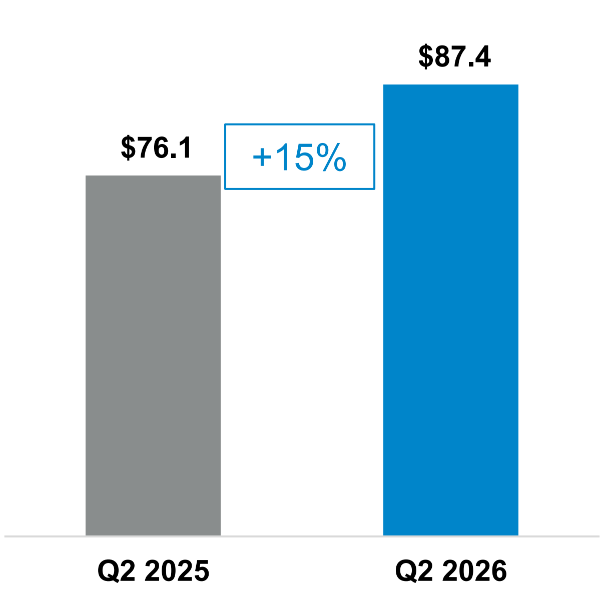
Outlook:

- Expect continued top-line growth from order book momentum across several markets, led by aerospace & defense

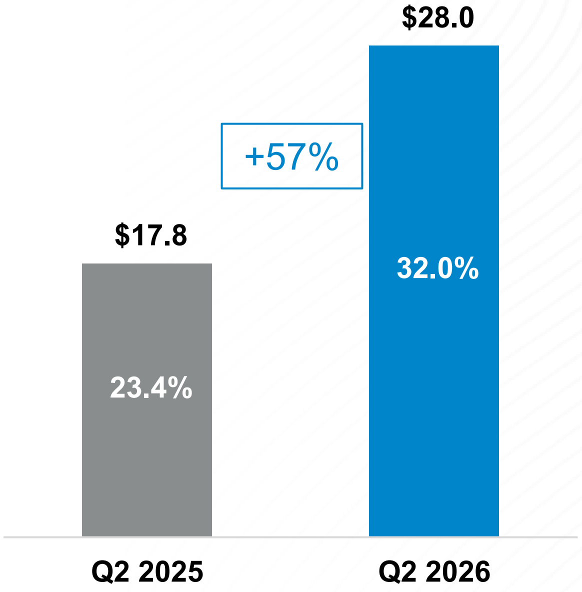
See appendix for reconciliation of value-added sales to the most comparable GAAP financial measure. Certain data presented above has been rounded for presentation purposes.

Electronic Materials Segment

Value-added Sales ($M)



Adj. EBITDA ($M)



Q2 Performance by End Market

- ↑ Semiconductor
- ↑ Industrial
- ↓ Automotive
- ↓ Energy
- ↑ Life Sciences
- ↑ Aerospace & Defense

Value-added sales of $87.4 million, up 15% YoY

- Increase driven primarily by continued strength in semiconductor
- New business initiatives across semiconductor and AI adoption fueling high demand for chips and data storage devices

Record adjusted EBITDA of $28.0 million, or 32.0% of VA, up 860 bps YoY

- Increase driven by higher volume, strong price/mix and operational performance
- Fifth consecutive quarter of margin expansion, up 370 bps sequentially

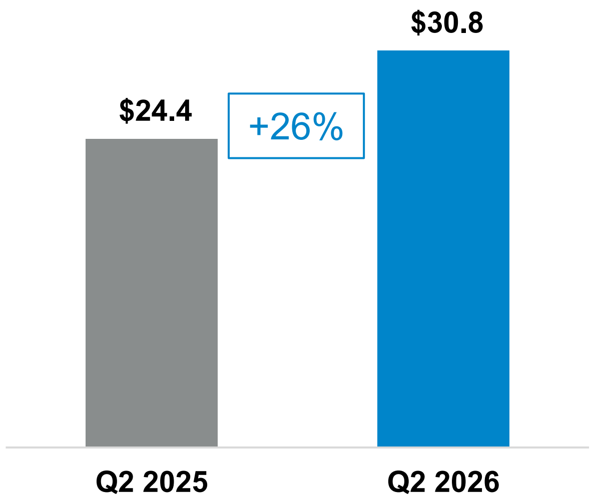
Outlook:

- Expect continued top-line growth driven by semiconductor market outgrowth and new business initiatives

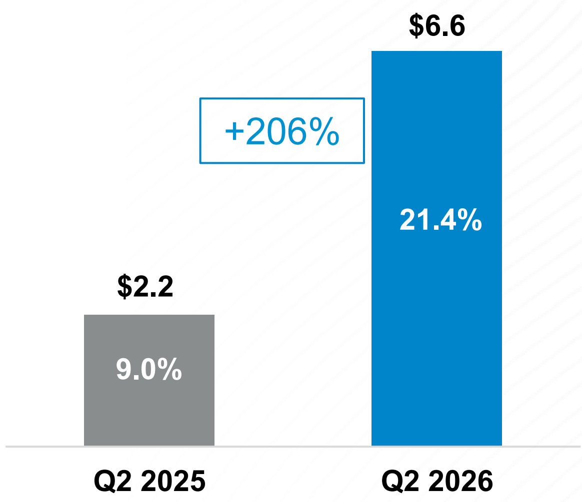
See appendix for reconciliation of value-added sales to the most comparable GAAP financial measure. Certain data presented above has been rounded for presentation purposes.

Precision Optics Segment

Value-added Sales ($M)



Adj. EBITDA ($M)



Q2 Performance by End Market

- Life Sciences
- Industrial
- Aerospace & Defense
- Consumer Electronics
- Automotive
- Semiconductor

Value-added sales of $30.8 million, up 26% YoY

- Increase driven by market strength across all end markets
- Fifth consecutive quarter of top-line improvement, the highest quarterly sales since 2021

Adjusted EBITDA of $6.6 million, or 21.4% of VA

- Increase driven by higher volume and favorable price/mix/performance
- Sixth consecutive quarter of bottom-line improvement, up 350 bps sequentially
- First time delivering 20%+ margin since Q1 ‘21

Outlook:

- Expect continued top-line growth supported by ongoing business transformation

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See appendix for reconciliation of value-added sales to the most comparable GAAP financial measure. Certain data presented above has been rounded for presentation purposes.

Cash, Debt and Liquidity

($M)	Q2 2025	Q2 2026
Short-term Debt	$19.9	$17.5
Long-term Debt	$405.7	$423.2
Total Debt	**$425.6**	**$440.7**
Cash & Cash Equivalents	$12.6	$20.0
Net Debt (Cash)	**$413.0**	**$420.7**
TTM Adjusted EBITDA	$222.7	$237.2
Net Debt (Cash) / TTM Adj. EBITDA	1.9x	1.8x

Strong free cash flow generation of $59M in the quarter; ~150% conversion

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

Approximately $233 million available on revolving credit facility

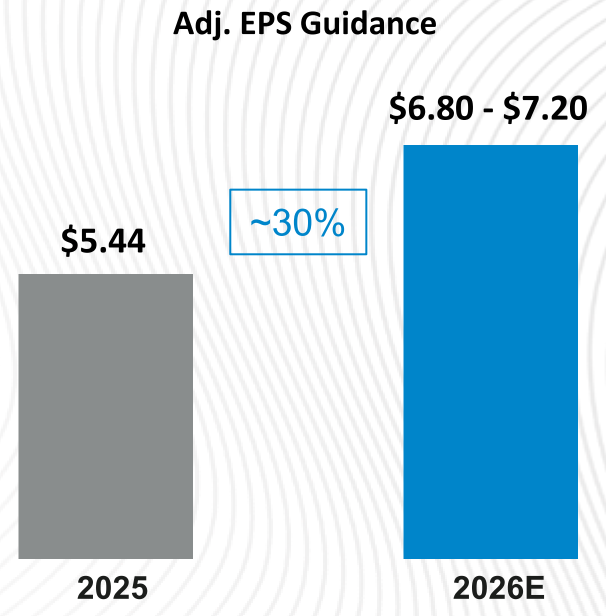
- Adequate liquidity remains to support growth initiatives

No share buyback activity this quarter

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

Balanced capital allocation approach, prioritizing organic investment

Full Year 2026 Guidance



2026 Guidance

- Increasing full year adjusted EPS guidance to **$6.80 - $7.20**, an increase of ~30% from 2025 at the midpoint

2026 Modeling Assumptions			
Capital Expenditures	$75M	Interest Expense	$28M
Mine Development – New Pit Openings	$25M	Effective Tax Rate	~14%
Depreciation and Amortization	$75M	Acquisition Amortization	$10M

Note: This guidance was provided on August 5, 2026, and has not been confirmed or updated. The Company disclaims any obligation to do so based on any subsequent event or any other reason. In addition, as discussed on slide 3, it is not possible for the Company to forecast future adjustments to GAAP earnings.

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

Reconciliation for Value-added Sales

(Millions)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025	First Quarter Ended April 3, 2026
Net Sales			
Performance Materials	$ 207.9	$ 182.8	$ 155.7
Electronic Materials	375.2	224.4	363.3
Precision Optics	30.8	24.5	30.8
Other	—	—	—
Total	$ 613.9	$ 431.7	$ 549.8
Less: Pass-through Metal Cost			
Performance Materials	$ 17.9	$ 14.3	$ 16.2
Electronic Materials	287.8	148.3	271.7
Precision Optics	—	0.1	0.1
Other	—	—	—
Total	$ 305.7	$ 162.7	$ 288.0
Value-added Sales (non-GAAP)			
Performance Materials	$ 190.0	$ 168.5	$ 139.5
Electronic Materials	87.4	76.1	91.6
Precision Optics	30.8	24.4	30.7
Other	—	—	—
Total	$ 308.2	$ 269.0	$ 261.8
Gross Margin			
Performance Materials[1]	$ 51.5	$ 48.9	$ 31.0
Electronic Materials[1]	40.8	27.2	39.8
Precision Optics [1]	12.0	6.5	11.0
Other	—	—	—
Total	$ 104.3	$ 82.6	$ 81.8

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.

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Reconciliation for Non-GAAP Measures

(Millions)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025	First Quarter Ended April 3, 2026
Operating Profit			
Performance Materials	**$ 36.5**	$ 31.0	$ 12.9
Electronic Materials	**23.1**	13.3	20.9
Precision Optics	**4.3**	(0.6)	2.2
Other	**(12.2)**	(6.9)	(7.8)
Total	**$ 51.7**	$ 36.8	$ 28.2
Non-Operating (Income)/Expense			
Performance Materials	**$ 0.1**	$ 0.1	$ 0.1
Electronic Materials	**(0.1)**	(0.1)	—
Precision Optics	**(0.1)**	(0.1)	(0.2)
Other	**(0.2)**	(0.5)	(0.2)
Total	**$ (0.3)**	$ (0.6)	$ (0.3)
Depreciation, Depletion, and Amortization			
Performance Materials	**$ 11.9**	$ 10.2	$ 11.0
Electronic Materials	**4.6**	$ 4.2	4.6
Precision Optics	**2.2**	2.6	2.3
Other	**0.5**	0.5	0.5
Total	**$ 19.2**	$ 17.5	$ 18.4
Segment EBITDA			
Performance Materials	**$ 48.3**	$ 41.1	$ 23.8
Electronic Materials	**27.8**	17.6	25.5
Precision Optics	**6.6**	2.1	4.7
Other	**(11.5)**	(5.9)	(7.1)
Total	**$ 71.2**	$ 54.9	$ 46.9

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.

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Reconciliation for Non-GAAP Measures (Cont.)

(Millions)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025	First Quarter Ended April 3, 2026
Special Items[2]			
Performance Materials	**$ —**	$ 0.4	$ 4.2
Electronic Materials	**0.2**	$ 0.2	0.4
Precision Optics	**—**	0.1	0.8
Other	**0.4**	0.2	0.6
Total	**$ 0.6**	$ 0.9	$ 6.0
Adjusted EBITDA Excluding Special Items			
Performance Materials	**$ 48.3**	$ 41.5	$ 28.0
Electronic Materials	**28.0**	17.8	25.9
Precision Optics	**6.6**	2.2	5.5
Other	**(11.1)**	(5.7)	(6.5)
Total	**$ 71.8**	$ 55.8	$ 52.9

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)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025	First Quarter Ended April 3, 2026
Net sales	$ 613.9	$ 431.7	$ 549.8
Pass-through metal cost	305.7	162.7	288.0
Value-added sales	$ 308.2	$ 269.0	$ 261.8
Net income	$ 38.8	$ 25.1	$ 19.4
Income tax expense	5.7	4.0	1.5
Interest expense - net	7.5	8.3	7.6
Depreciation, depletion and amortization	19.2	17.5	18.4
Consolidated EBITDA	$ 71.2	$ 54.9	$ 46.9
Net Income as a % of Net sales	*6.3 %*	*5.8 %*	*3.5 %*
Net Income as a % of Value-added sales	*12.6 %*	*9.3 %*	*7.4 %*
EBITDA as a % of Net sales	*11.6 %*	*12.7 %*	*8.5 %*
EBITDA as a % of Value-added sales	*23.1 %*	*20.4 %*	*17.9 %*
Special items			
Restructuring and cost reduction	$ 0.3	$ 0.5	$ 2.4
Other	0.2	—	—
Product quality issue	—	—	3.5
Merger, acquisition and divestiture related costs	—	0.2	—
Business transformation costs	0.1	0.2	0.1
Total special items	0.6	0.9	6.0
Adjusted EBITDA	$ 71.8	$ 55.8	$ 52.9
Adjusted EBITDA as a % of Net sales	*11.7 %*	*12.9 %*	*9.6 %*
Adjusted EBITDA as a % of Value-added sales	*23.3 %*	*20.8 %*	*20.2 %*

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.

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Reconciliation for Non-GAAP Measures (Cont.)

(Millions)	Second Quarter Ended July 3, 2026	Diluted EPS	Second Quarter Ended June 27, 2025	Diluted EPS	First Quarter Ended April 3, 2026	Diluted EPS
Net income and EPS	$ 38.8	$ 1.84	$ 25.1	$ 1.21	$ 19.4	$ 0.92
Special items						
Restructuring and cost reduction	$ 0.3		$ 0.5		2.4	
Other	0.2		—		—	
Product quality issue	—		—		3.5	
Merger, acquisition and divestiture related costs	—		0.2		—	
Business transformation costs	0.1		0.2		0.1	
Debt extinguishment costs[1]	—		0.5		—	
Provision for income taxes[2]	(1.3)		(0.2)		(0.7)	
Total special items	(0.7)	(0.03)	1.2	0.05	5.3	0.25
Adjusted net income and adjusted EPS	$ 38.1	$ 1.81	$ 26.3	$ 1.26	$ 24.7	$ 1.17
Acquisition amortization (net of tax)	2.0	0.09	2.2	0.11	2.0	0.10
Adjusted net income and adjusted EPS excl. amortization	$ 40.1	$ 1.90	$ 28.5	$ 1.37	$ 26.7	$ 1.27

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)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025	First Quarter Ended April 3, 2026
Net sales	$ 207.9	$ 182.8	$ 155.7
Pass-through metal cost	17.9	14.3	16.2
Value-added sales	$ 190.0	$ 168.5	$ 139.5
EBITDA	$ 48.3	$ 41.1	$ 23.8
Restructuring and cost reduction	—	0.3	0.6
Business transformation costs	—	0.1	0.1
Product quality issue	—	—	3.5
Adjusted EBITDA	$ 48.3	$ 41.5	$ 28.0
EBITDA as a % of Net sales	23.2 %	22.5 %	15.3 %
EBITDA as a % of Value-added sales	25.4 %	24.4 %	17.1 %
Adjusted EBITDA as a % of Net sales	23.2 %	22.7 %	18.0 %
Adjusted EBITDA as a % of Value-added sales	25.4 %	24.6 %	20.1 %

Electronic Materials

(Millions)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025	First Quarter Ended April 3, 2026
Net sales	$ 375.2	$ 224.4	$ 363.3
Pass-through metal cost	287.8	148.3	271.7
Value-added sales	$ 87.4	$ 76.1	$ 91.6
EBITDA	$ 27.8	$ 17.6	$ 25.5
Restructuring and cost reduction	—	0.1	0.4
Merger, acquisition and divestiture related costs	—	0.1	—
Other	0.2	—	
Adjusted EBITDA	$ 28.0	$ 17.8	$ 25.9
EBITDA as a % of Net sales	7.4 %	7.8 %	7.0 %
EBITDA as a % of Value-added sales	31.8 %	23.1 %	27.8 %
Adjusted EBITDA as a % of Net sales	7.5 %	7.9 %	7.1 %
Adjusted EBITDA as a % of Value-added sales	32.0 %	23.4 %	28.3 %

Precision Optics

(Millions)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025	First Quarter Ended April 3, 2026
Net sales	$ 30.8	$ 24.5	$ 30.8
Pass-through metal cost	—	0.1	0.1
Value-added sales	$ 30.8	$ 24.4	$ 30.7
EBITDA	$ 6.6	$ 2.1	$ 4.7
Restructuring and cost reduction	—	0.1	0.8
Adjusted EBITDA	$ 6.6	$ 2.2	$ 5.5
EBITDA as a % of Net sales	21.4 %	8.6 %	15.3 %
EBITDA as a % of Value-added sales	21.4 %	8.6 %	15.3 %
Adjusted EBITDA as a % of Net sales	21.4 %	9.0 %	17.9 %
Adjusted EBITDA as a % of Value-added sales	21.4 %	9.0 %	17.9 %

Other

(Millions)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025	First Quarter Ended April 3, 2026
EBITDA	$ (11.5)	$ (5.9)	$ (7.1)
Restructuring and cost reduction	0.3	—	0.6
Business transformation costs	0.1	0.1	—
Other	—	—	—
Merger, acquisition and divestiture related costs	—	0.1	
Adjusted EBITDA	$ (11.1)	$ (5.7)	$ (6.5)

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.

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Reconciliation for Non-GAAP Measures (Cont.)

(Millions)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025	First Quarter Ended April 3, 2026
Gross Margin			
Performance Materials	$ **51.5**	$ 48.9	$ 31.0
Electronic Materials	**40.8**	27.2	39.8
Precision Optics	**12.0**	6.5	11.0
Other	—	—	—
Total	$ **104.3**	$ 82.6	$ 81.8
Special Items (1)			
Performance Materials	$ —	$ —	$ 3.5
Electronic Materials	—	—	—
Precision Optics	—	—	—
Other	—	—	—
Total	$ —	$ —	$ 3.5
Adjusted Gross Margin			
Performance Materials	$ **51.5**	$ 48.9	$ 34.5
Electronic Materials	**40.8**	27.2	39.8
Precision Optics	**12.0**	6.5	11.0
Other	—	—	—
Total	$ **104.3**	$ 82.6	$ 85.3

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.

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Reconciliation for Non-GAAP Measures (Cont.)

($ in millions)	Q2 2026		Q2 2025		Q2 2026 TTM		Q2 2025 TTM	
GAAP as Reported								
Net income	$	38.8	$	25.1	$	90.2	$	16.3
Income tax expense (benefit)		5.7		4.0		6.7		10.2
Interest expense		7.5		8.3		30.7		32.8
Depreciation, depletion, and amortization		19.2		17.5		72.6		70.0
Consolidated EBITDA	**$**	**71.2**	**$**	**54.9**	**$**	**200.2**	**$**	**129.3**
Special Items								
Restructuring and cost reduction	$	0.3	$	0.5	$	3.4	$	4.9
Electronic Materials inventory adjustment		—		—		—		2.8
Business transformation costs		0.1		0.2		0.7		1.6
Product quality issue		—		—		30.8		
Environmental Remediation		—		—		0.6		
Precision Optics impairments		—		—		—		73.2
Merger, acquisition and divestiture related costs		—		0.2		1.0		9.7
Pension settlement		—		—		0.3		—
Additional start-up resources and scrap		—		—		—		1.2
Other		0.2		—		0.2		—
Total Special Items		0.6		0.9		37.0		93.4
Adjusted EBITDA	**$**	**71.8**	**$**	**55.8**	**$**	**237.2**	**$**	**222.7**

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, 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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Free Cash Flow Reconciliation

(Millions)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025
Net Income	**$ 38.8**	$ 25.1
Net cash provided by (used in) operating activities	**$ 74.8**	$ 49.9
Payments for purchase of property, plant and equipment	**(14.5)**	(12.7)
Payments for mine development	**(1.6)**	(1.5)
Free cash flow (FCF)	**$ 58.7**	$ 35.7
Free cash flow conversion as a % of Net Income	**151 %**	**142 %**

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