

RESEARCH UPDATE
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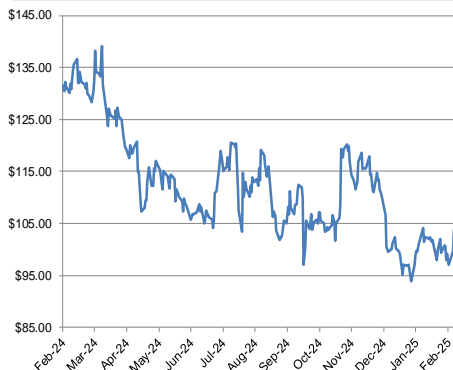
Market Statistics

Price	\$ 103.74
52 week Range	\$93.20 - \$139.21
Daily Vol (3-mo. average)	92,047
Market Cap (M):	\$2,152.7
Enterprise Value (M):	\$2,653.1
Shares Outstanding: (M)	20.8
Float (M)	20.5
Public Ownership	3.6%
Institutional Ownership	95.1%

Financial Summary

Equity (M)	\$ 868.9
BV/Sh	\$ 41.86
Cash (M)	\$ 16.7
Debt (M)	\$ 442.0
Debt/Cap	33.7%

FYE: Dec	2024	2025E	2026E
<i>(in \$M, except per sh)</i>			
Rev	\$1,684.7	\$1,710.1	\$1,831.8
Chng%	1.2%	1.5%	7.1%
EBITDA	\$ 221.2	\$ 236.5	\$ 259.1
EPS	\$ 5.34	\$ 5.49	\$ 6.33
EV/R	1.6x	1.6x	1.4x
EV/EBITDA	12.0x	11.2x	10.2x
P/E	19.4x	18.9x	16.4x


COMPANY DESCRIPTION

Materion is a global supplier of highly engineered advanced materials to technology companies. Its materials are used in a variety of electrical, electronic, thermal, and structural applications in diverse markets such as consumer electronics, industrial components and commercial aerospace, defense and science, medical, automotive electronics, energy, and telecommunications infrastructure. Materion's advanced materials make applications lighter, stronger, faster, smaller and/or more reliable.

MATERION CORPORATION (NYSE: MTRN)
MTRN Reports 4Q24 Earnings

MTRN's 4Q24 results showcased the Company's resilience and strategic discipline amid a mixed macroeconomic landscape. MTRN reported value-added sales of \$296.1M, reflecting a 2% y/y increase, driven by continued strength in the space and defense sectors and a modest recovery in semiconductor demand. The Company achieved a record adj. EBITDA of \$61.5M, representing 20.8% of value-added sales. This marks the third consecutive quarter above the 20% margin threshold. This performance was primarily supported by disciplined cost management, an optimized business portfolio, and operational efficiencies. Despite a net loss of \$48.8M due to a one-time non-cash goodwill and intangible impairments within the Precision Optics segment, MTRN delivered strong adj. EPS of \$1.55, up from \$1.41 in 4Q23. Among transformations MTRN has taken, the Company continues to right size by divesting some of its non-core large area targets business. Additionally, MTRN has appointed a new business president for the Precision Optics segment. Lastly, the Company has increased its mid-term Adj. EBITDA margin target to 23%

Quarterly Results - MTRN reported revenue, adj EBITDA, and adj EPS of \$436.9M, \$61.0M, and \$1.55, respectively. This compares to our/consensus estimates of \$430.0M/\$433.2M, \$59.5M/\$59.1M, and \$1.46/\$1.45, respectively. Value added (VA) sales were \$296.1M vs. our estimate of \$277.0M. Performance Materials outperformed our expectations by \$15.5M and Precision Optics outperformed by \$4.7M. The slight difference in revenues was largely due to the continued strength in aerospace and defense. We note that the semiconductor end market seems to be rebounding going into FY25. GPM, EPS and Adj. EBITDA were all slightly above our expectations.

End Markets Overview – End-market dynamics in 4Q24 remained mixed. Aerospace and defense remained a standout segment, posting 15% y/y VA sales growth and marked the fifteenth consecutive quarter of expansion, fueled by increased demand from the emerging space market and strong defense spending. Semiconductors saw a 7% y/y increase in VA sales, driven by improving demand for advanced logic and memory applications. However, ongoing challenges persisted in industrial (-5% y/y), energy (-19% y/y), and automotive (-13% y/y) markets. The energy segment was particularly impacted by the timing of clean energy orders, though it saw some offset from oil and gas-related improvements. The automotive sector continued to struggle due to weakness in internal combustion engine vehicle sales, despite modest improvements in the electric vehicle market. Consumer electronics grew 3% y/y, supported by higher precision clad strip sales.

Guidance – MTRN outlined its full-year 2025 guidance, projecting adjusted EPS in the range of \$5.30 to \$5.70, representing a 3% y/y increase at the midpoint. The Company anticipates continued end-market improvement, particularly in aerospace, defense, and semiconductors, while challenges in precision clad strip are expected to persist through 2025 before rebounding in 2026. Management remains confident in delivering another year of 20%+ adjusted EBITDA margin, supported by operational efficiencies, strategic cost reductions, and a leaner cost structure.

Valuation – We use a DCF valuation to guide a price range for Materion. Our DCF analysis relies on a range of discount rates between 9.50% and 10.00% with a midpoint of 9.75%. This arrives at a valuation range of \$121.30 to \$145.70 with a mid-point of \$132.36.

SUMMARY

Exhibit 1: Quarterly Results Comparison to Model

	4Q24 Results (in \$M, except EPS)				Notes
	GAAP Revenue		VA Sales		
	Reported	Model	Reported	Model	
Revenues	\$ 436.9	\$ 430.0	\$ 296.1	\$ 277.0	Sales came in stronger than expected due to continued strength in aerospace and defense, compared to our estimates
Cost of sales	343.9	341.0	203.1	197.3	
Gross profit	93.0	89.0	93.0	79.7	
GPM	21.3%	20.7%	31.4%	28.8%	
SG&A	41.1	35.8	41.1	35.8	
R&D	6.3	7.2	6.3	7.2	
Other	3.6	4.5	3.6	4.5	
Operating Exp	51.0	47.4	51.0	47.4	
OpInc - adj	43.7	42.8	43.7	42.8	OPM in-line with our expectations
OPM	10.0%	9.9%	14.7%	15.4%	
EBITDA - adj	61.5	59.5	61.5	59.5	EBITDA slightly ahead of our expectations
EBITDA margin	14.1%	13.8%	20.8%	21.5%	
NI - adj	\$ 32.4	\$ 30.6	\$ 32.4	\$ 30.6	Profitability ended the quarter slightly above our expectations
EPS - adj	\$ 1.55	\$ 1.46	\$ 1.55	\$ 1.46	

Source: Company Reports; Stonegate Capital Markets

INVESTMENT FACTORS

Materion Corporation is a supplier of highly engineered advanced materials to technology companies. Its materials are used in a variety of electrical, electronic, thermal, and structural applications in diverse markets such as semiconductors, consumer electronics, industrial components, aerospace, defense, medical, automotive and telecommunications. Materion's advanced materials make applications lighter, stronger, faster, smaller, and/or more reliable.

With a focus on supplying advanced materials to mission critical applications, a dominate position in the beryllium market, a solid cash flow positive business, and potential operating margin expansion, we believe Materion is well positioned.

Investment Positives

Leading global positions in growing markets

The advanced materials market is not easily defined and hence market size and industry growth rates are difficult to gauge. We believe this to be the case because advanced materials can be several different materials, such as beryllium, composites, and/or high-performance alloys. Nonetheless, end market application growth rates and how Materion is positioning itself as a critical supplier to high growth markets bodes well for overall growth. Some of these markets include semiconductors, smart mobile devices, optics, oil and gas, LED/LCD, commercial aerospace etc.

As brief examples of the Company's positioning, we note that it is the only fully vertically integrated producer of beryllium and beryllium alloys (from mine to mill). The U.S. dominates the global market for beryllium production, processing, and consumption and Materion operates one of the only fully active mines in the world. Consequently, Materion commands an estimated 70% of the Beryllium market.

Expansion of innovative products to drive revenue growth

The delivering of services to clients is a collaborative effort. In essence, clients present an engineering problem and Materion provides a solution. We also note that end market applications change rapidly due to technological advances. Materion can leverage its size to expand its R&D as well as provide extra services to clients to provide the innovative solution to clients that other competitors may find difficult to replicate.

Strategic push to expand margins and drive EPS growth

Materion's overall business strategy ("One Materion" started by current CEO, Jugal Vijayvargiya arrival in F17) is centered on five pillars that are clearly focused on driving operating margin expansion coupled with double-digit EPS growth. In short, the One Materion strategy emphasizes a unified and focused core competencies spanning all global functions, regions, and businesses. What's more, we believe these pillars reinforce each other to help drive execution. Through this strategy, Materion is targeting mid-teens operating margins (on value-added [VA] sales, which excludes pass-through metal revenue/expenses, which have no margin). Since its start in F17, the Company has seen operating margins on VA sales expand from 7.0% to 13.9% in F23. Over this same period, adjusted EPS grew at a CAGR of ~22%.

Investment Challenges / Risks

Macroeconomic growth influences top line results

Many of Materion's clients are in highly cyclical industries, such as industrial components, commercial aerospace, automotive electronics, defense etc. Any negative economic headwinds to Materion's clients may slow or delay future orders, which would negatively impact operating results.

Part of the Company's strategy is focused on acquisitions

Materion has a history of acquisitions and is expected to continue acquiring additional companies. Management has long-term guidance of spending \$50M - \$100M per year on acquisitions. For modeling purposes, attempting to time acquisition dates and the level and/or make-up of revenues is futile. Additionally, integrating acquisitions carry their own risks that could negatively impact the firm's financial results.

VALUATION SUMMARY

Our DCF valuation shows a range of \$121.30 to \$145.70 with a mid-point of \$132.36. The mid-point is driven by a discount rate of 9.75%, a top line CAGR of 7.2%, a terminal growth rate of with a midpoint of 2.0% and operating margins in the low double digits (mid to upper teens on VA sales) driven by revenue growth and MTRN's focus on operational excellence. We do not assume any acquisition growth.

Sensitivity Analysis:

		Terminal Growth Rates				
		1.0%	1.5%	2.0%	2.5%	3.0%
Discount Rate	9.25%	\$131.66	\$137.81	\$144.80	\$152.84	\$162.16
	9.50%	\$126.28	\$131.95	\$138.36	\$145.70	\$154.16
	9.75%	\$121.23	\$126.45	\$132.36	\$139.07	\$146.78
	10.00%	\$116.47	\$121.30	\$126.73	\$132.90	\$139.94
	10.25%	\$111.98	\$116.45	\$121.47	\$127.13	\$133.58

We outline potential catalysts for Materion:

- Improving semiconductor end market 2H25+
- Overall operating margin expansion FY25+
- Phase 2 of strip-clad project continues to ramp.....FY25+
- New acquisitions FY25+

DISCOUNTED CASH FLOW ANALYSIS

Materion Corporation													
Discounted Cash Flow Model (in \$Ms)													
Estimates:	2023	2024	2025 E	2026 E	2027 E	2028 E	2029 E	2030 E	2031 E	2032 E	2033 E	2034 E	Terminal Value
Revenue	1,665.2	1,684.7	1,710.1	1,831.8	1,969.2	2,122.8	2,292.6	2,480.6	2,684.0	2,906.8	3,153.8	3,421.9	
Operating Income	136.4	47.2	165.1	187.1	206.8	233.5	263.6	285.3	322.1	363.3	394.2	427.7	
Less: Taxes (benefit)	12.1	9.0	21.4	25.8	35.1	39.7	44.8	48.5	54.8	61.8	67.0	72.7	
NOPAT	124.3	38.2	143.7	161.3	171.6	193.8	218.8	236.8	267.3	301.6	327.2	355.0	
Plus: Depreciation & Amortization	61.6	68.6	70.0	72.0	68.9	61.6	60.8	60.8	60.4	58.1	63.1	68.4	
Plus: Changes in WC	(33.2)	(62.9)	(22.2)	(23.8)	(21.7)	(2.1)	2.3	7.4	13.4	14.5	15.8	17.1	
Less: Capex	(110.6)	(68.6)	(80.0)	(78.8)	(78.8)	(63.7)	(64.2)	(69.5)	(67.1)	(66.9)	(72.5)	(78.7)	
Free Cash Flow	42.1	(24.8)	111.5	130.7	140.1	189.6	217.7	235.5	274.0	307.4	333.5	361.9	4,762.7
Discount period - months			12	24	36	48	60	72	84	96	108	120	
Discount period - years			1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	
Discount factor			0.91	0.83	0.76	0.69	0.63	0.57	0.52	0.48	0.43	0.39	
PV of FCF			101.6	108.5	106.0	130.7	136.7	134.8	142.9	146.0	144.4	142.7	1,878.5
Growth rate assumptions:													
Revenue		1.2%	1.5%	7.1%	7.5%	7.8%	8.0%	8.2%	8.2%	8.3%	8.5%	8.5%	
Operating Income		-65.4%	249.6%	13.3%	10.5%	12.9%	12.9%	8.2%	12.9%	12.8%	8.5%	8.5%	
EBITDA		-41.5%	103.0%	10.2%	6.4%	7.0%	9.9%	6.7%	10.5%	10.2%	8.5%	8.5%	
Free Cash Flow		-158.8%	-550.1%	17.3%	7.2%	35.3%	14.8%	8.2%	16.3%	12.2%	8.5%	8.5%	
Margin assumptions:													
Operating Income	8.2%	2.8%	9.7%	10.2%	10.5%	11.0%	11.5%	11.5%	12.0%	12.5%	12.5%	12.5%	
Depr as a % of sales	3.7%	4.1%	4.1%	3.9%	3.5%	2.9%	2.7%	2.5%	2.3%	2.0%	2.0%	2.0%	
EBITDA	11.9%	6.9%	13.7%	14.1%	14.0%	13.9%	14.2%	14.0%	14.3%	14.5%	14.5%	14.5%	
Taxes	8.9%	19.1%	13.0%	13.8%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	
Changes in WC	-2.0%	-3.7%	-1.3%	-1.3%	-1.1%	-0.1%	0.1%	0.3%	0.5%	0.5%	0.5%	0.5%	
Capex as a % of sales	-6.6%	-4.1%	-4.7%	-4.3%	-4.0%	-3.0%	-2.8%	-2.8%	-2.5%	-2.3%	-2.3%	-2.3%	
Valuation:													
Shares outstanding	20.8												
PV of FCF	1,294.3												
PV of Terminal Value	1,878.5												
Enterprise Value	3,172.7												
less: Net Debt	425.3												
Estimated Total Value:	2,747.4												
Est Equity Value/share:	\$132.36												
Price	\$103.74												
Sensitivity Analysis:													
		Terminal Growth Rates											
		1.0%	1.5%	2.0%	2.5%	3.0%							
Discount Rate	9.25%	\$131.66	\$137.81	\$144.80	\$152.84	\$162.16							
	9.50%	\$126.28	\$131.95	\$138.36	\$145.70	\$154.16							
	9.75%	\$121.23	\$126.45	\$132.36	\$139.07	\$146.78							
	10.00%	\$116.47	\$121.30	\$126.73	\$132.90	\$139.94							
	10.25%	\$111.98	\$116.45	\$121.47	\$127.13	\$133.58							

Source: Company Reports, Stonegate Capital Markets estimates

INCOME STATEMENT

Materion Corp. (NYSE: MTRN)

Consolidated Statements of Income (in \$M, except per share amounts)

Fiscal Year: December

	FY 2020	FY 2021	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 E Mar-25	Q2 E Jun-25	Q3 E Sep-25	Q4 E Dec-25	FY 2025 E	Q1 E Mar-26	Q2 E Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026 E
Revenues																			
Revenues	1,176.3	1,510.6	1,757.1	1,665.2	385.3	425.9	436.7	436.9	1,684.7	413.3	415.6	433.1	448.1	1,710.1	446.6	455.4	458.6	471.1	1,831.8
Total revenue	1,176.3	1,510.6	1,757.1	1,665.2	385.3	425.9	436.7	436.9	1,684.7	413.3	415.6	433.1	448.1	1,710.1	446.6	455.4	458.6	471.1	1,831.8
Value Added Sales	640.1	829.6	1,114.4	1,127.2	257.8	279.9	263.8	296.1	1,097.5	278.3	281.6	292.6	307.1	1,159.6	303.4	311.4	307.4	319.4	1,241.6
Cost of revenues																			
Cost of sales	983.6	1,226.9	1,413.2	1,316.1	314.1	345.0	355.8	343.9	1,358.8	334.2	331.5	341.4	352.2	1,359.3	354.0	358.5	361.0	369.7	1,443.3
Total cost of revenues	983.6	1,226.9	1,413.2	1,316.1	314.1	345.0	355.8	343.9	1,358.8	334.2	331.5	341.4	352.2	1,359.3	354.0	358.5	361.0	369.7	1,443.3
Gross (loss) profit	192.6	283.8	343.9	349.0	71.2	80.9	80.9	93.0	326.0	79.1	84.1	91.7	95.9	350.8	92.6	96.9	97.6	101.4	388.5
Operating expenses																			
SG&A	134.0	163.8	169.3	157.9	35.8	33.6	35.0	41.1	145.6	34.1	34.5	34.4	36.1	139.1	37.2	38.2	36.1	37.5	149.0
R&D	20.3	26.6	29.0	27.5	7.1	7.7	7.9	6.3	29.0	7.2	7.3	7.6	8.0	30.1	7.9	8.1	8.0	8.3	32.3
Goodwill impairment	9.1	-	-	-	-	-	-	56.1	56.1	-	-	-	-	-	-	-	-	-	-
Other impairment/restructurings	12.7	(0.4)	-	3.8	1.6	3.0	1.5	24.2	30.4	-	-	-	-	-	-	-	-	-	-
Other - net	8.5	16.7	24.2	23.3	4.4	4.4	5.3	3.6	17.7	3.4	3.4	4.8	4.9	16.5	4.9	5.0	5.0	5.2	20.1
Total operating expenses	184.4	206.7	224.1	212.6	49.0	48.8	49.7	131.3	278.8	44.7	45.2	46.8	49.0	185.7	50.0	51.3	49.2	51.0	201.4
EBIT	8.2	77.1	47.2	136.4	22.2	32.1	31.3	(38.3)	47.2	34.4	38.8	45.0	46.9	165.1	42.6	45.7	48.4	50.4	187.1
EBIT- adj (1)	51.5	94.3	133.3	157.1	30.0	43.7	39.0	43.7	156.3	35.1	39.5	45.0	46.9	166.5	42.6	45.7	48.4	50.4	187.1
Other income (expense):																			
Interest expense	(3.9)	(4.9)	(21.9)	(31.3)	(8.3)	(8.8)	(8.8)	(8.8)	(34.8)	(7.4)	(7.4)	(7.4)	(7.4)	(29.6)	(7.4)	(7.4)	(7.4)	(7.4)	(29.6)
Other income (expense)	3.9	5.1	5.3	2.7	0.6	0.6	0.6	0.5	2.4	0.6	0.6	0.6	0.6	2.5	0.8	0.8	1.0	1.3	3.8
Total other income (expense):	0.1	0.2	(16.7)	(28.6)	(7.6)	(8.2)	(8.2)	(8.3)	(32.3)	(6.8)	(6.8)	(6.8)	(6.8)	(27.1)	(6.7)	(6.6)	(6.4)	(6.1)	(25.8)
Pre-tax income (loss)	8.3	77.3	103.1	107.8	14.6	23.9	23.1	(46.7)	14.9	27.6	32.1	38.2	40.1	138.0	36.0	39.1	42.0	44.3	161.3
Provision for taxes (benefit)	(7.2)	4.9	17.1	12.1	1.2	4.9	0.8	2.2	9.0	4.3	5.0	5.9	6.2	21.4	5.8	6.2	6.7	7.1	25.8
Net inc (loss)	15.5	72.5	86.0	95.7	13.4	19.0	22.3	(48.9)	5.9	23.3	27.1	32.3	33.9	116.6	30.2	32.8	35.3	37.2	135.5
EPS (loss)	\$ 0.75	\$ 3.51	\$ 4.14	\$ 4.58	\$ 0.64	\$ 0.91	\$ 1.07	\$ (2.35)	\$ 0.28	\$ 1.11	\$ 1.29	\$ 1.54	\$ 1.62	\$ 5.57	\$ 1.44	\$ 1.57	\$ 1.69	\$ 1.77	\$ 6.47
N(loss) - adj (1), (2)	43.9	84.0	109.5	117.9	20.1	29.7	29.6	32.4	111.8	23.3	27.0	31.5	33.1	115.0	29.5	32.1	34.5	36.4	132.5
EPS (loss) - adj (1), (2)	\$ 2.13	\$ 4.06	\$ 5.28	\$ 5.64	\$ 0.96	\$ 1.42	\$ 1.41	\$ 1.55	\$ 5.34	\$ 1.11	\$ 1.29	\$ 1.51	\$ 1.58	\$ 5.49	\$ 1.41	\$ 1.53	\$ 1.65	\$ 1.74	\$ 6.33
Basic S/O	20.3	20.4	20.5	20.6	20.7	20.7	20.7	20.8	20.7	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8
Diluted S/O	20.5	20.7	20.8	20.9	21.0	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9
EBITDA -adj (1) (3)	93.9	138.4	190.9	217.6	45.2	57.8	56.7	61.5	221.2	52.6	57.0	62.5	64.4	236.5	60.6	63.7	66.4	68.4	259.1

Margin Analysis

Value Added Sales	54.4%	54.9%	63.4%	67.7%	66.9%	65.7%	60.4%	67.8%	65.1%	67.3%	67.8%	67.6%	68.5%	67.8%	67.9%	68.4%	67.0%	67.8%	67.8%
Gross margin	16.4%	18.8%	19.6%	21.0%	18.5%	19.0%	18.5%	21.3%	19.3%	19.1%	20.2%	21.2%	21.4%	20.5%	20.7%	21.3%	21.3%	21.5%	21.2%
SG&A	11.4%	10.8%	9.6%	9.5%	9.3%	7.9%	8.0%	9.4%	8.6%	8.2%	8.3%	7.9%	8.1%	8.1%	8.3%	8.4%	7.9%	8.0%	8.1%
R&D	1.7%	1.8%	1.6%	1.7%	1.9%	1.8%	1.8%	1.4%	1.7%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.7%	1.8%	1.8%
EBIT margin	0.7%	5.1%	6.8%	8.2%	5.8%	7.5%	7.2%	-8.8%	2.8%	8.3%	9.3%	10.4%	10.5%	9.7%	9.5%	10.0%	10.6%	10.7%	10.2%
EBIT - adj margin	4.4%	6.2%	7.6%	9.4%	7.8%	10.3%	8.9%	10.0%	9.3%	8.5%	9.5%	10.4%	10.5%	9.7%	9.5%	10.0%	10.6%	10.7%	10.2%
EBITDA - adj margin	8.0%	9.2%	10.9%	13.1%	11.7%	13.6%	13.0%	14.1%	13.1%	12.7%	13.7%	14.4%	14.4%	13.8%	13.6%	14.0%	14.5%	14.5%	14.1%
Pre-tax margin	0.7%	5.1%	5.9%	6.5%	3.8%	5.6%	5.3%	-10.7%	0.9%	6.7%	7.7%	8.8%	9.0%	8.1%	8.1%	8.6%	9.2%	9.4%	8.8%
NI - adj margin	3.7%	5.6%	6.2%	7.1%	5.2%	7.0%	6.8%	7.4%	6.6%	5.6%	6.5%	7.3%	7.4%	6.7%	6.6%	7.0%	7.5%	7.7%	7.2%
Tax rate	-86.9%	6.3%	16.6%	11.2%	8.2%	20.4%	3.3%	-4.7%	60.5%	15.5%	15.5%	15.5%	15.5%	15.5%	16.0%	16.0%	16.0%	16.0%	16.0%
Growth Rate Y/Y																			
Total revenue	-0.8%	28.4%	16.3%	-5.2%	-12.9%	6.9%	8.3%	3.8%	1.2%	7.3%	-2.4%	-0.8%	2.6%	1.5%	8.1%	9.6%	5.9%	5.1%	7.1%
SG&A	-9.3%	22.3%	3.4%	-6.7%	-11.1%	-13.6%	-9.8%	3.2%	-7.8%	-4.9%	2.6%	-1.8%	-12.3%	-4.5%	9.0%	10.6%	5.0%	4.0%	7.1%
R&D	11.0%	31.0%	9.0%	-5.0%	-6.3%	7.7%	24.5%	-2.0%	5.4%	1.3%	-5.0%	-3.3%	26.4%	3.9%	9.0%	10.6%	5.0%	4.0%	7.1%
EBIT- adj (1)	-40.3%	83.1%	41.4%	17.8%	-21.6%	9.6%	-4.4%	14.2%	-0.5%	17.0%	-9.5%	15.5%	7.4%	6.5%	21.6%	15.5%	7.7%	7.4%	12.4%
EBITDA - adj (1) (3)	-26.1%	47.5%	37.9%	14.0%	-15.4%	4.2%	2.3%	15.3%	1.6%	16.3%	-1.3%	10.2%	4.8%	6.9%	15.3%	11.6%	6.3%	6.2%	9.6%
N(loss) - adj (1), (2)	-36.0%	91.2%	30.4%	7.7%	-28.1%	3.0%	-6.5%	10.0%	-5.2%	15.5%	-9.1%	6.5%	2.5%	2.8%	26.7%	18.5%	9.6%	9.9%	15.2%
EPS (loss) - adj (1), (2)	-35.9%	90.9%	29.8%	6.9%	-28.4%	2.9%	-6.6%	10.0%	-5.3%	15.8%	-9.1%	6.5%	2.4%	2.8%	26.6%	18.5%	9.5%	9.8%	15.2%
Diluted S/O	-0.6%	0.6%	0.4%	0.8%	0.4%	0.1%	0.1%	-0.1%	0.1%	-0.2%	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%

(1) Excludes 1x items and special items identified by MTRN

(2) Excludes acquisition amortization

(3) Differs from MTRN definition by excluding other inc (exp)

Source: Company Reports, Stonegate Capital Markets estimates

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