RESEARCH UPDATE

MATERION CORPORATION (NYSE: MTRN)

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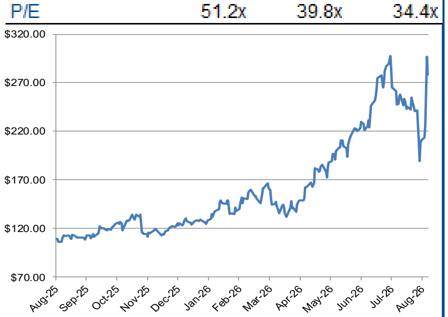
Market Statistics	
Price	$ 278.26
52 week Range	$104.63 - $304.58
Daily Vol (3-mo. average)	381,919
Market Cap (M):	$5,788.2
Enterprise Value (M):	$6,208.9
Shares Outstanding: (M)	20.8
Float (M)	20.5

Financial Summary	
Equity (M)	$ 994.9
BV/Sh	$ 47.78
Cash (M)	$ 20.0
Debt (M)	$ 440.7
Debt/Cap	30.7%

Valuation In USD	
Valuation Range	$255.75 - $306.72
2026 Price Target	$ 278.74

FYE: Dec	2025	2026	2027
(in $M, except per sh)			
Rev	$1,786.6	$2,392.5	$2,589.3
Chng%	6.0%	33.9%	8.2%
EBITDA	$ 216.9	$ 267.9	$ 307.2
EPS	$ 5.44	$ 7.00	$ 8.08
EV/R	3.5x	2.6x	2.4x
EV/EBITDA	28.9x	23.4x	20.4x
P/E	51.2x	39.8x	34.4x



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.

MTRN Reports Earnings

Materion's 2Q26 results improved the earnings outlook, as Performance Materials recovered and Electronic Materials and Precision Optics sustained margin improvement, driving record VA sales, adjusted EBITDA, and adjusted EPS. The quarter suggests Materion is entering a broader demand cycle without commensurately higher internally funded CapEx. Management said the broad-based order book primarily reflects customer consumption over the next six to nine months, reducing the likelihood that backlog reflects precautionary inventory accumulation. A customer-funded $65M beryllium capacity expansion should support growth without burdening the CapEx plan. In our view, this combination supports a more durable earnings and FCF profile, even as we expect Electronic Materials margins normalize from an unusually favorable 2Q mix.

Quarterly Results - Materion reported net sales of $613.9M, value-added sales of $308.2M, adjusted EBITDA of $71.8M, and adjusted EPS of $1.90. VA sales increased 15% y/y and 18% q/q, while adjusted EBITDA rose 29% y/y and margin expanded 250bps to a record 23.3%. Adjusted EPS increased 39% y/y and 50% q/q. Results included $2M-$3M of favorable one-time items, though underlying improvement reflected higher volume, favorable price/mix, new business, and operating execution. FCF totaled $59M at approximately 150% conversion, supported by earnings and working-capital improvement.

Segment Performance – Performance Materials led sequential improvement, with VA sales increasing 36% q/q to $190.0M as precision clad strip shipments normalized and new business contributed. Adjusted EBITDA rose approximately 70% q/q to $48.3M, with margin reaching 25.4%. Electronic Materials generated VA sales of $87.4M and record adjusted EBITDA of $28.0M, or 32.0% of VA sales. Management said 2Q likely carried the year's richest mix and that 32% is not a new margin floor; however, pricing, cost optimization, and portfolio improvements support profitability structurally above 2025 levels. Precision Optics validated its transformation, with VA sales increasing 26% y/y to $30.8M and adjusted EBITDA reaching $6.6M, or 21.4% of VA sales.

Orders and End Markets – Forward demand indicators continued to improve, with backlog up approximately 30% y/y and 20% since year-end, while first-half incoming orders increased nearly 30%. Aerospace and defense led the growth, with orders up approximately 50%, including a doubling in space, while semiconductor orders increased approximately 20%. Defense orders reached $90M and open RFQs exceeded $500M, up from approximately $300M last quarter. Space continues to grow as the Company expands end market uses in the segment, highlighting the space segments emergence as a material contributor.

Guidance – Management raised its FY26 VA sales outlook from low-double-digit to mid-teens growth and adjusted EPS guidance from $6.00-$6.50 to $6.80-$7.20. In our view, record backlog, consumption-driven order activity, improving segment profitability, and externally funded capacity additions increase confidence in 2H26 earnings delivery and establish a higher earnings base entering 2027, with Electronic Materials mix normalization remaining an important near-term margin variable.

Valuation – We use a DCF valuation to guide a price range for Materion. Our DCF analysis relies on a range of discount rates between 9.25% and 9.75% with a midpoint of 9.50%. This arrives at a valuation range of $255.75 to $306.72 with a mid-point price target of $278.74.

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 dominant 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 FY17) 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 FY17, the Company has seen operating margins on VA sales expand from 7.0% to 14% in FY25. Over this same period, adjusted EPS grew at a CAGR of ~15%.

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 $255.75 to $306.72 with a mid-point price target of $278.74. The mid-point is driven by a discount rate of 9.50%, a top line CAGR of 12.5% on value added sales, a terminal growth rate of with a midpoint of 2.0% and EBITDA margins in the low 20's 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 Rati	9.50%	$277.72	$289.84	$303.57	$319.27	$337.39
	9.75%	$267.35	$278.55	$291.19	$305.58	$322.10
	10.00%	$257.59	$267.95	$279.61	$292.83	$307.93
	10.25%	$248.38	$257.99	$268.76	$280.93	$294.77
	10.00%	$257.59	$267.95	$279.61	$292.83	$307.93

We outline potential catalysts for Materion:

- Improving semiconductor end market …..……………………………………………… FY26+
- Overall operating margin expansion …...…………..…..…………………………...… FY26+
- Phase 2 of strip-clad project continues to ramp…….….……………………………........FY26+
- New acquisitions …………………………………..…………………………….…… FY26+

DISCOUNTED CASH FLOW ANALYSIS

Materion Corporation
Discounted Cash Flow Model (in $Ms)

Estimates:	2024	2025	2026 E	2027 E	2028 E	2029 E	2030 E	2031 E	2032 E	2033 E	2034 E	2035 E	Terminal Value
Revenue	1,684.7	1,786.6	2,392.5	2,589.3	2,861.2	3,175.9	3,533.2	3,913.0	4,327.8	4,769.2	5,193.7	5,604.0	
Operating Income	47.2	109.8	185.0	226.0	286.1	352.5	415.2	493.0	541.0	620.0	701.1	795.8	
Less: Taxes (benefit)	9.0	6.7	20.7	28.8	34.3	42.3	49.8	59.2	64.9	74.4	84.1	95.5	
NOPAT	38.2	103.1	164.2	197.2	251.8	310.2	365.3	433.9	476.1	545.6	617.0	700.3	
Plus: Depreciation & Amortization	68.6	69.0	75.0	80.0	88.7	98.5	98.9	105.7	108.2	109.7	109.1	112.1	
Plus: Changes in WC	(62.9)	(48.7)	(31.1)	(28.5)	(2.9)	3.2	10.6	19.6	21.6	23.8	26.0	28.0	
Less: Capex	(80.8)	(79.6)	(75.0)	(77.7)	(80.1)	(79.4)	(81.3)	(82.2)	(86.6)	(90.6)	(93.5)	(98.1)	
Free Cash Flow	(36.9)	43.8	133.2	171.0	257.5	332.5	393.6	476.9	519.3	588.5	658.6	742.3	9,464.4
Discount period - months			6	18	30	42	54	66	78	90	102	114	
Discount period - years			0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	
Discount factor			0.95	0.87	0.79	0.72	0.65	0.59	0.54	0.49	0.44	0.40	
PV of FCF			127.0	148.2	202.9	238.2	256.3	282.3	279.5	288.0	292.9	300.2	3,827.0
Growth rate assumptions:													
Revenue		6.0%	33.9%	8.2%	10.5%	11.0%	11.3%	10.8%	10.6%	10.2%	8.9%	7.9%	
Operating Income		132.5%	68.5%	22.2%	26.6%	23.2%	17.8%	18.8%	9.7%	14.6%	13.1%	13.5%	
EBITDA		54.4%	45.4%	17.7%	22.5%	20.3%	14.0%	16.5%	8.4%	12.4%	11.0%	12.1%	
Free Cash Flow		-218.7%	203.8%	28.4%	50.6%	29.1%	18.4%	21.2%	8.9%	13.3%	11.9%	12.7%	
Margin assumptions:													
Operating Income	2.8%	6.1%	7.7%	8.7%	10.0%	11.1%	11.8%	12.6%	12.5%	13.0%	13.5%	14.2%	
Depr as a % of sales	4.1%	3.9%	3.1%	3.1%	3.1%	3.1%	2.8%	2.7%	2.5%	2.3%	2.1%	2.0%	
EBITDA	6.9%	10.0%	10.9%	11.8%	13.1%	14.2%	14.6%	15.3%	15.0%	15.3%	15.6%	16.2%	
Taxes	19.1%	6.1%	11.2%	12.7%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	
Changes in WC	-3.7%	-2.7%	-1.3%	-1.1%	-0.1%	0.1%	0.3%	0.5%	0.5%	0.5%	0.5%	0.5%	
Capex as a % of sales	-4.8%	-4.5%	-3.1%	-3.0%	-2.8%	-2.5%	-2.3%	-2.1%	-2.0%	-1.9%	-1.8%	-1.8%	

Valuation:

Shares outstanding	20.8
PV of FCF	2,415.5
PV of Terminal Value	3,827.0
Enterprise Value	6,242.5
less: Net Debt	420.7
Estimated Total Value:	5,821.8
Est Equity Value/share:	**$279.61**
Price	$278.26

Sensitivity Analysis:

Discount Rat		Terminal Growth Rates 1.0%	1.5%	2.0%	2.5%	3.0%
	9.50%	$277.72	$289.84	$303.57	$319.27	$337.39
	9.75%	$267.35	$278.55	$291.19	$305.58	$322.10
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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	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026 E	Q1 E Mar-27	Q2 E Jun-27	Q3 E Sep-27	Q4 E Dec-27	FY 2027 E
Revenues																				
Revenues	1,176.3	1,510.6	1,757.1	1,665.2	1,684.7	420.3	431.7	444.8	489.8	1,786.6	549.8	613.9	609.9	618.9	2,392.5	619.2	647.1	654.2	668.8	2,589.3
Total revenue	**1,176.3**	**1,510.6**	**1,757.1**	**1,665.2**	**1,684.7**	**420.3**	**431.7**	**444.8**	**489.8**	**1,786.6**	**549.8**	**613.9**	**609.9**	**618.9**	**2,392.5**	**619.2**	**647.1**	**654.2**	**668.8**	**2,589.3**
Value Added Sales	**640.1**	**829.6**	**1,114.4**	**1,127.2**	**1,097.5**	**259.3**	**269.1**	**263.9**	**254.0**	**1,046.3**	**261.8**	**308.2**	**314.9**	**323.9**	**1,208.8**	**324.2**	**342.1**	**349.2**	**363.8**	**1,379.3**
Cost of revenues																				
Cost of sales	983.6	1,226.9	1,413.2	1,316.1	1,358.8	344.2	349.0	358.7	426.1	1,477.9	468.0	509.6	503.0	509.0	1,989.5	514.0	532.1	533.5	546.3	2,125.8
Total cost of revenues	983.6	1,226.9	1,413.2	1,316.1	1,358.8	344.2	349.0	358.7	426.1	1,477.9	468.0	509.6	503.0	509.0	1,989.5	514.0	532.1	533.5	546.3	2,125.8
Gross (loss) profit	**192.6**	**283.8**	**343.9**	**349.0**	**326.0**	**76.2**	**82.7**	**86.1**	**63.7**	**308.6**	**81.8**	**104.3**	**106.9**	**109.9**	**402.9**	**105.3**	**115.0**	**120.7**	**122.5**	**463.5**
Operating expenses																				
SG&A	134.0	163.8	169.3	157.9	145.6	35.4	35.0	38.3	34.3	143.1	36.2	42.3	43.3	44.5	166.3	44.1	46.5	47.1	49.1	186.9
R&D	20.3	26.6	29.0	27.5	29.0	6.5	6.4	6.5	6.5	25.9	6.2	6.6	6.3	6.5	25.5	6.6	7.0	7.2	7.5	28.3
Goodwill impairment	9.1	-	-	-	56.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other impairment/restructurings	12.7	(0.4)	1.6	3.8	30.4	2.0	0.5	0.2	0.4	3.2	2.3	0.3	-	-	2.6	-	-	-	-	-
Other - net	8.5	16.7	24.2	23.3	17.7	5.0	3.9	6.2	11.6	26.7	9.0	3.4	5.5	5.6	23.5	5.0	5.2	5.2	7.0	22.4
Total operating expenses	184.4	206.7	224.1	212.6	278.8	49.0	45.8	51.2	52.8	198.8	53.7	52.6	55.1	56.6	218.0	55.7	58.7	59.5	63.6	237.5
EBIT	**8.2**	**77.1**	**119.8**	**136.4**	**47.2**	**27.2**	**36.8**	**34.9**	**10.8**	**109.8**	**28.2**	**51.7**	**51.8**	**53.3**	**185.0**	**49.6**	**56.3**	**61.2**	**58.9**	**226.0**
EBIT- adj (1)	**51.5**	**94.3**	**133.3**	**157.1**	**156.3**	**31.5**	**38.2**	**37.5**	**39.0**	**146.2**	**34.2**	**52.3**	**52.1**	**53.6**	**192.2**	**49.9**	**56.6**	**61.5**	**59.2**	**227.2**
Other income (expense):																				
Interest expense	(3.9)	(4.9)	(21.9)	(31.3)	(34.8)	(6.9)	(8.2)	(7.5)	(8.0)	(30.7)	(7.6)	(7.5)	(6.4)	(6.4)	(27.9)	(7.4)	(7.4)	(7.4)	(7.4)	(29.5)
Other income/(expense)	3.9	5.1	5.3	2.7	2.4	0.7	0.6	0.7	0.5	2.4	0.3	0.3	0.3	0.3	1.3	0.5	0.5	0.5	0.5	2.0
Total other income (expense):	0.1	0.2	(16.7)	(28.6)	(32.3)	(6.3)	(7.7)	(6.8)	(7.5)	(28.3)	(7.3)	(7.2)	(6.1)	(6.1)	(26.7)	(6.9)	(6.9)	(6.9)	(6.9)	(27.5)
Pre-tax income (loss)	**8.3**	**77.3**	**103.1**	**107.8**	**14.9**	**20.9**	**29.2**	**28.1**	**3.3**	**81.5**	**20.9**	**44.5**	**45.7**	**47.2**	**158.3**	**42.7**	**49.4**	**54.3**	**52.0**	**198.5**
Provision for taxes (benefit)	(7.2)	4.9	17.1	12.1	9.0	3.2	4.0	2.7	(3.2)	6.7	1.5	5.7	6.6	6.8	20.7	6.2	7.2	7.9	7.5	28.8
Net inc (loss)	**15.5**	**72.5**	**86.0**	**95.7**	**5.9**	**17.7**	**25.1**	**25.4**	**6.6**	**74.8**	**19.4**	**38.8**	**39.1**	**40.4**	**137.6**	**36.5**	**42.3**	**46.5**	**44.5**	**169.7**
EPS (loss)	**$ 0.75**	**$ 3.51**	**$ 4.14**	**$ 4.58**	**$ 0.28**	**$ 0.85**	**$ 1.21**	**$ 1.22**	**$ 0.31**	**$ 3.58**	**$ 0.92**	**$ 1.84**	**$ 1.85**	**$ 1.90**	**$ 6.51**	**$ 1.71**	**$ 1.98**	**$ 2.17**	**$ 2.07**	**$ 7.93**
N(loss) - adj (1), (2)	**43.9**	**84.0**	**109.5**	**117.9**	**111.8**	**23.7**	**28.5**	**29.4**	**32.0**	**113.7**	**26.7**	**40.1**	**40.0**	**41.2**	**148.0**	**37.5**	**43.1**	**47.1**	**45.2**	**172.9**
EPS (loss) - adj (1), (2)	**$ 2.13**	**$ 4.06**	**$ 5.28**	**$ 5.64**	**$ 5.34**	**$ 1.13**	**$ 1.37**	**$ 1.41**	**$ 1.53**	**$ 5.44**	**$ 1.27**	**$ 1.90**	**$ 1.89**	**$ 1.94**	**$ 7.00**	**$ 1.76**	**$ 2.01**	**$ 2.20**	**$ 2.11**	**$ 8.08**
Basic S/O	20.3	20.4	20.5	20.6	20.7	20.8	20.8	20.7	20.7	20.8	20.8	20.8	20.9	21.0	20.9	21.1	21.1	21.2	21.2	21.1
Diluted S/O	20.5	20.7	20.8	20.9	20.9	20.9	20.8	20.9	21.0	20.9	21.0	21.1	21.2	21.3	21.1	21.3	21.4	21.4	21.5	21.4
EBITDA -adj (1) (3)	**93.9**	**138.4**	**190.9**	**217.6**	**221.2**	**48.7**	**55.8**	**55.5**	**57.0**	**216.9**	**52.9**	**71.9**	**70.8**	**72.3**	**267.9**	**69.9**	**76.6**	**81.5**	**79.2**	**307.2**
Margin Analysis																				
Value Added Sales	54.4%	54.9%	63.4%	67.7%	65.1%	61.7%	62.3%	59.3%	51.9%	58.6%	47.6%	50.2%	51.6%	52.3%	50.5%	52.4%	52.9%	53.4%	54.4%	53.3%
Gross margin	16.4%	18.8%	19.6%	21.0%	19.3%	18.1%	19.1%	19.4%	13.0%	17.3%	14.9%	17.0%	17.5%	17.8%	16.8%	17.0%	17.8%	18.5%	18.3%	17.9%
SG&A	11.4%	10.8%	9.6%	9.5%	8.6%	8.4%	8.1%	8.6%	7.0%	8.0%	6.6%	6.9%	7.1%	7.2%	7.0%	7.1%	7.2%	7.2%	7.3%	7.2%
R&D	1.7%	1.8%	1.6%	1.7%	1.7%	1.5%	1.5%	1.5%	1.3%	1.5%	1.1%	1.1%	1.0%	1.0%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%
EBIT margin	0.7%	5.1%	6.8%	8.2%	2.8%	6.5%	8.5%	7.9%	2.2%	6.1%	5.1%	8.4%	8.5%	8.6%	7.7%	8.0%	8.7%	9.4%	8.8%	8.7%
EBIT - adj margin	4.4%	6.2%	7.6%	9.4%	9.3%	7.5%	8.8%	8.4%	8.0%	8.2%	6.2%	8.5%	8.5%	8.7%	8.0%	8.1%	8.7%	9.4%	8.9%	8.8%
EBITDA- adj margin	8.0%	9.2%	10.9%	13.1%	13.1%	11.6%	12.9%	12.5%	11.6%	12.1%	9.6%	11.7%	11.6%	11.7%	11.2%	11.3%	11.8%	12.5%	11.8%	11.9%
Pre-tax margin	0.7%	5.1%	5.9%	6.5%	0.9%	5.0%	6.8%	6.3%	0.7%	4.6%	3.8%	7.2%	7.5%	7.6%	6.6%	6.9%	7.6%	8.3%	7.8%	7.7%
NI - adj margin	3.7%	5.6%	6.2%	7.1%	6.6%	5.6%	6.6%	6.6%	6.5%	6.4%	4.9%	6.5%	6.6%	6.7%	6.2%	6.1%	6.7%	7.2%	6.8%	6.7%
Tax rate	-86.9%	6.3%	16.6%	11.2%	60.5%	15.5%	13.8%	9.6%	-97.3%	8.2%	7.3%	12.9%	14.5%	14.5%	13.1%	14.5%	14.5%	14.5%	14.5%	14.5%
Growth Rate Y/Y																				
Total revenue	-0.8%	28.4%	16.3%	-5.2%	1.2%	9.1%	1.4%	1.9%	12.1%	6.0%	30.8%	42.2%	37.1%	26.4%	33.9%	12.6%	5.4%	7.3%	8.1%	8.2%
SG&A	-9.3%	22.3%	3.4%	-6.7%	-7.8%	-1.1%	4.3%	9.3%	-16.6%	-1.7%	2.1%	20.8%	13.2%	29.8%	16.3%	21.8%	9.9%	8.9%	10.3%	12.3%
R&D	11.0%	31.0%	9.0%	-5.0%	5.4%	-8.9%	-16.7%	-16.8%	2.5%	-10.6%	-5.3%	2.3%	-3.8%	0.0%	-1.7%	8.0%	6.9%	13.7%	15.1%	10.9%
EBIT- adj (1)	-40.3%	83.1%	41.4%	17.8%	-0.5%	5.2%	-12.6%	-3.8%	-10.7%	-6.5%	8.4%	37.0%	39.1%	37.6%	31.5%	45.9%	8.1%	18.1%	10.5%	18.2%
EBITDA -adj (1) (3)	-26.1%	47.5%	37.9%	14.0%	1.6%	7.8%	-3.5%	-2.2%	-7.3%	-1.9%	8.6%	28.8%	27.7%	26.9%	23.5%	32.1%	6.6%	15.1%	9.6%	14.7%
N(loss) - adj (1), (2)	-36.0%	91.2%	30.4%	7.7%	-5.2%	17.9%	-4.1%	-0.6%	-1.1%	1.7%	12.4%	40.5%	36.0%	28.8%	30.2%	40.7%	7.4%	17.8%	9.7%	16.9%
EPS (loss) - adj (1), (2)	-35.9%	90.9%	29.8%	6.9%	-5.3%	18.3%	-3.7%	-0.4%	-1.2%	1.8%	11.8%	38.9%	34.1%	27.0%	28.7%	38.6%	5.9%	16.4%	8.6%	15.4%
Diluted S/O	-0.6%	0.6%	0.4%	0.8%	0.1%	-0.3%	-0.4%	-0.2%	0.1%	-0.2%	0.4%	1.2%	1.4%	1.5%	1.1%	1.5%	1.4%	1.2%	1.0%	1.3%

(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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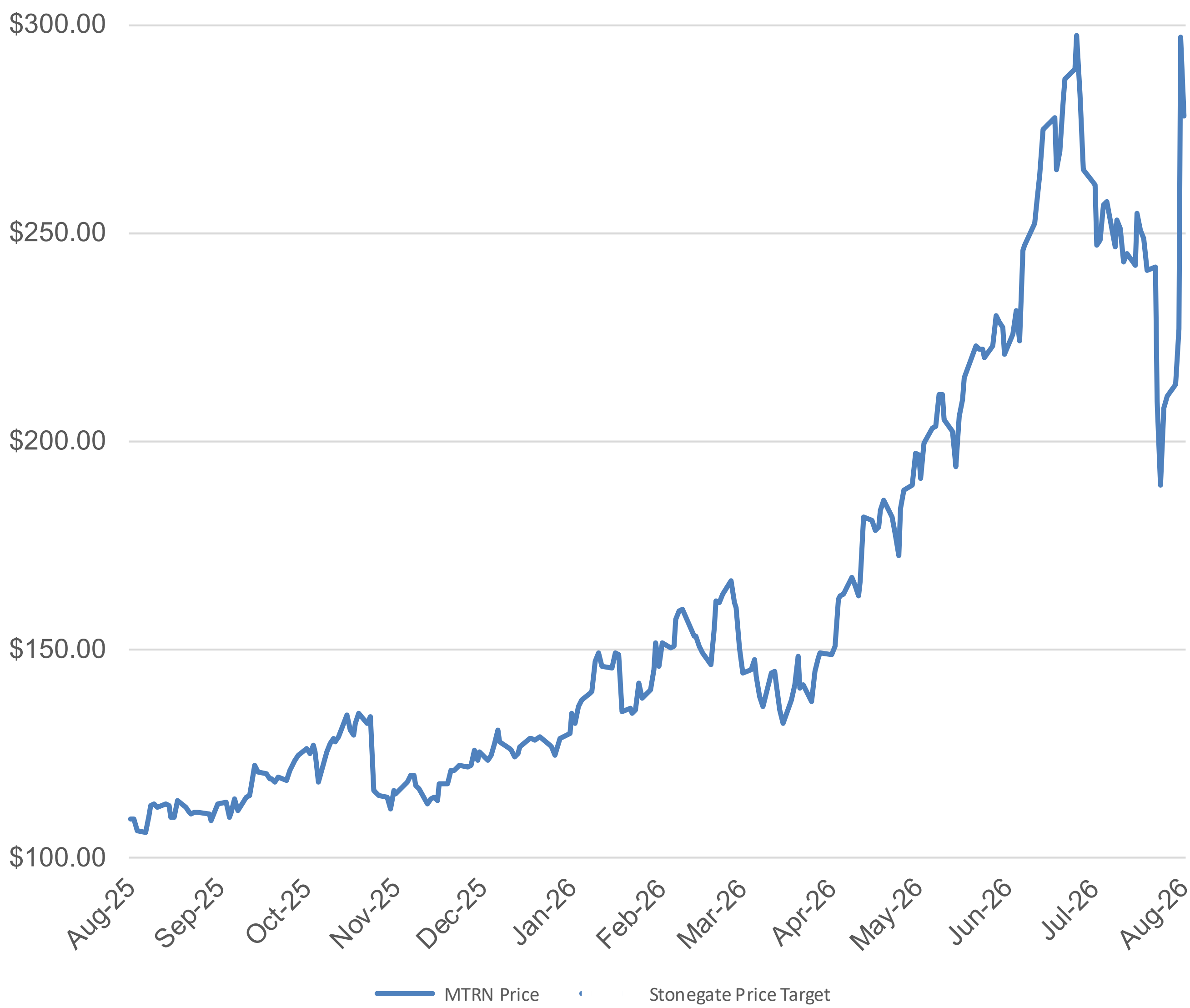
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