UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

# Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): May 7, 2014

## Materion Corporation

(Exact name of registrant as specified in its charter)

| Ohio | 001-15885 | 34-1919973 |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |

| 6070 Parkland Blvd., Mayfield Hts., Ohio | 44124 |
|---|---|
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code: 216-486-4200

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 7.01 Regulation FD Disclosure.**

On May 7, 2014, Materion Corporation updated its website with a slide presentation that will be presented to investors. A copy of the presentation is attached hereto as Exhibit 99.1.

**Item 9.01 Financial Statements and Exhibits.**

*Exhibits.*

| Exhibit Number | Description of Exhibit |
|---|---|
| 99.1 | May 2014 Investor Presentation |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Materion Corporation

May 7, 2014

By: */s/ Michael C. Hasychak*
Michael C. Hasychak
Vice President, Treasurer and Secretary

**Exhibit Index**

| Exhibit No. | Description |
| --- | --- |
| 99.1 | May 2014 Investor Presentation |

MATERION

Exhibit 99.1

# Materion Corporation – Investor Presentation

May 2014

# Forward-Looking Statements

MATERION

These slides contain (and the accompanying oral discussion will contain) "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 the actual results of the Company to differ materially from the results expressed or implied by these statements, including health issues, litigation and regulation relating to our business, our ability to achieve and/or maintain profitability, significant cyclical fluctuations in our customers' businesses, competitive substitutes for our products, risks associated with our international operations, including foreign currency rate fluctuations, energy costs and the availability and prices of raw materials, and other 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 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.

# Materion (MTRN)

- An Advanced Materials Company
- Strong Global Positions in Attractive and Growing Markets
- Strong Value-added[1] Margins
- Market Cap: Approximately $700 Million 4/30/14
- Shares Outstanding: 20.9 Million
- 2014 EPS Range (GAAP): $2.02 - $2.22
- 2014 EPS Range (Adjusted)[2]: $1.75 - $1.95
- Strong Balance Sheet: Debt-to-Debt-Plus Equity 16%
- Dividend: Increased to $0.34 annualized
- Share Repurchase Authorization of $50 million

[1]Excludes pass-through metals
[2]Excludes benefit of asset sale and insurance claim settlement

# High Value-added Business Model

1. Identify high growth secular markets
2. Target the fastest growing niches of those markets


3. Expand with innovative products
4. Add synergistic acquisitions
5. Ensure financial discipline

# Unique Global Positions – Advanced Materials

MATERION

| | | Leading Global Position |
|---|---|---|
|  | • High Purity Gold Products for Semiconductor Fabrication (Wireless & LED)<br>– Offering "full metal management" capabilities | ☑ |
|  | • World's Only Fully Integrated Producer of Beryllium and Beryllium Alloys<br>– Over 75 years of reserves at Utah | ☑ |
|  | • Unique Copper-nickel-tin Material ToughMet®<br>– Multiple advanced applications growing at over 30% annually | ☑ |
|  | • Precision Optical Coatings – Visible to Infrared Bandwidth<br>– "Go To" Supplier for defense, thermal imaging, space, medical and advanced consumer applications | ☑ |
|  | • Specialty Coatings for Blood Analysis Test Strips for Medical Diagnosis<br>– Diabetes | ☑ |

# Identify High Growth Secular Markets

MATERION

| Market | Q1 2014 % of Value-Added Sales | Macro Trends | Key Drivers |
|---|---|---|---|
| Consumer Electronics |  29% | ↑ | • Smartphone growth<br>• Tablet computers & LEDs<br>• Gesture control |
| Industrial Components |  13% | ↑ | • Heavy equipment builds<br>• Plastic mold tooling<br>• Residential and commercial construction |
| Automotive Electronics |  10% | ↑ | • Increasing global car production<br>• HEV/EV lithium ion battery components<br>• Engine control & electronic systems |
| Medical |  10% | ↑ | • Glucose testing<br>• Blood analysis test coating for medical diagnosis<br>• Nuclear diagnostics equipment |
| Energy |  8% | ↑ | • Directional drilling<br>• Rig counts<br>• Solar, batteries & smart grid devices |
| Defense |  6% | → | • DoD & Foreign military budgets<br>• Demand for communications satellites<br>• High performance optical devices |
| Telecommunications Infrastructure |  5% | ↑ | • Global 4G builds<br>• Base stations<br>• Undersea fiber-optics expansion |
| Commercial Aerospace |  5% | ↑ | • New airplane builds & retrofits<br>• Increasing air travel |

Note: As of 1/1/14, Commercial Aerospace has been separated from Industrial Components and Science has been separated from Defense.

# Significant New Value Drivers

MATERION

- Global Beryllium Supply Shortage
- Government Stockpile Replenishment
- Enhanced Capacity
- Facility Consolidation and Product Line Rationalization
- Company-wide Procurement to Optimize Spend
- Pricing Tools
- New Technology and Marketing Development Processes

# Recent New Product Successes

MATERION

- LED Phosphors
- Gesture Control
- Rolled ToughMet® Bearings
- Bulk Metallic Glass (Liquidmetal)
- Aluminum Metal Matrix Composites
- Dovetail Connectors
- Wafer Level Processing

# Broadening our Reach Through Acquisitions and Materials Innovation

MATERION

**2002**

- Beryllium and Alloys
- Industrial Precious Metals and Microelectronics Packaging

Key Markets:
Automotive Electronics
Defense and Science
Telecom & Infrastructure
Semiconductor
Appliance

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**Today**

- Beryllium and Alloys
- New Non-Be Alloys and Composites
- Industrial Precious Metals and Microelectronics Packaging
- Broadened Precious and Semi-Precious Metals
- Specialty Chemicals
- Optical and Medical Coatings

Key Markets:
Automotive Electronics
Defense and Science
Telecom & Infrastructure
Semiconductor
Appliance

Plus
Expansion and/or entry into the following:

Consumer Electronics
Commercial Aerospace
Heavy Industrial Equipment
Services
Optical
Energy – Conventional and Alternative
Medical

# Successful Repositioning – Snapshot

MATERION

| | 2002 | | 2013 |
|---|---|---|---|
| Revenue | $0.4B | → | $1.2B |
| Debt-to-Debt-Plus-Equity | 43% | → | 12% |
| Cyclicality | High | → | Lower |
| Growth | GDP | → | >GDP |

# High Operating Margins

MATERION

## Removing High Value Metals Clarifies Margins

| | GAAP Margin | Value-added(1) Margin |
|---|---|---|
| Gross Profit | 16% - 18% | 35% - 40% |
| Operating Profit | 3% - 5% | 9% - 12% |



(1) Normal margin range excluding non-recurring items and pass-through metals

# Ensure Financial Discipline

MATERION

## Maintain strong balance sheet

Debt-to-Debt-Plus-Equity


After $228M in acquisitions

## Strong cash flow

- Cash flow from operations averages approximately $50M for the past five years
- Reduction in working capital* goal to <20% sales

*AR, Inv & A/P

Resources to finance organic growth and acquisitions while returning cash to shareholders

**Each 5% reduction of working capital as a % of sales results in $60 million of cash**

# Financial Goals Next 3 - 5 Years

MATERION

| | Next 3 - 5 years |
|---|---|
| Value-added revenue growth | 6%/Year |
| Margins (OP % VA) | 12% - 14% |
| ROIC (pre-tax) | >15% |
| Annual Free Cash Flow | >50M |
| Working capital % sales | <20% |
| Debt-to-Debt-Plus-Equity | <30% |
| Acquisitions | $50M - $100M Annually |

THESIS

# Positioned to Deliver Long-term, Sustainable Growth

IN SUMMARY

# Why Invest in Materion Corporation?

MATERION

**Positioning**

**A leader in high-growth markets**

- Global player in strong secular growth markets
- Sustainable long-term growth

**Performance**

**Strong performance record**

- Proven business model
- Target, capture niche, then expand

**Growth**

**Executing three point strategy**

- Clear financial goals, performance continuing to improve
- Strong value today

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# Appendix

# Target High Growth, Leading-edge Markets

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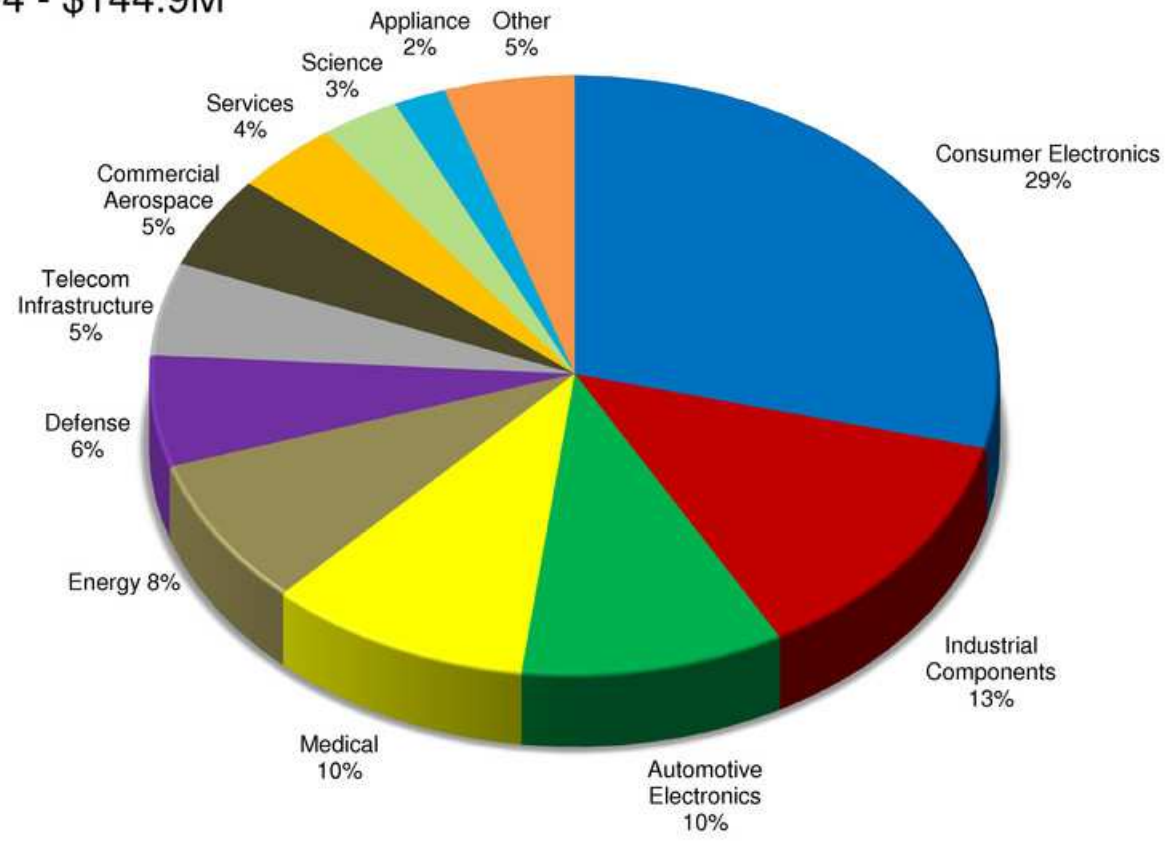
## Reportable Segments

| Key Markets | ADVANCED MATERIAL TECHNOLOGIES<br>Precious, Non-precious, Specialty Metal and Inorganic Materials, Electronic Packages and Components | PERFORMANCE ALLOYS<br>Bulk and Strip Form Products and Beryllium Hydroxide | BERYLLIUM & COMPOSITES<br>Beryllium and Beryllia Ceramic Products | TECHNICAL MATERIALS<br>Specialty Strip Metal Products |
|---|---|---|---|---|
| CONSUMER ELECTRONICS | ▲ | ▲ | | ▲ |
| INDUSTRIAL COMPONENTS | ▲ | ▲ | ▲ | |
| AUTOMOTIVE ELECTRONICS | ▲ | ▲ | | ▲ |
| MEDICAL | ▲ | | ▲ | |
| ENERGY | ▲ | ▲ | ▲ | ▲ |
| DEFENSE | ▲ | ▲ | ▲ | |
| TELECOMMUNICATIONS INFRASTRUCTURE | ▲ | ▲ | ▲ | |
| COMMERCIAL AEROSPACE | ▲ | ▲ | ▲ | |

# Value-added Sales: Materion

MATERION

## Q1-2014 - $144.9M

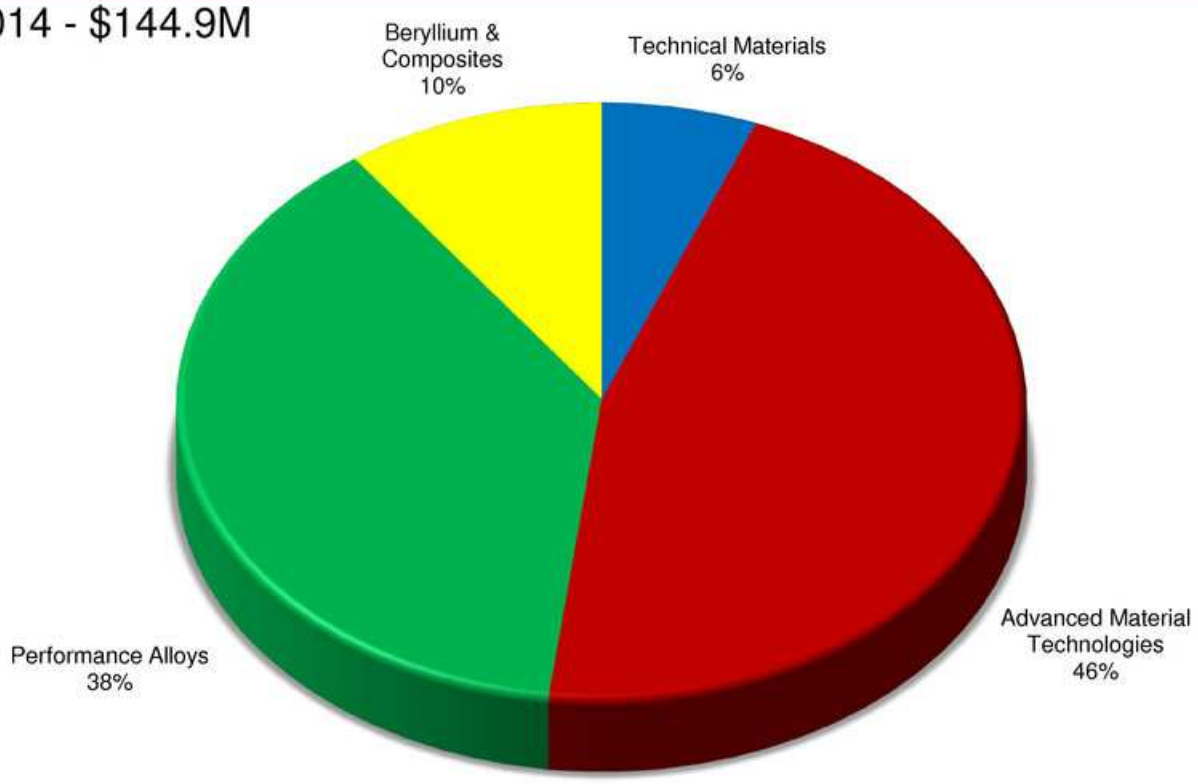



A-2 OP% of Value-added Sales 8%

# Value-added Sales: By Segment

MATERION

Q1-2014 - $144.9M



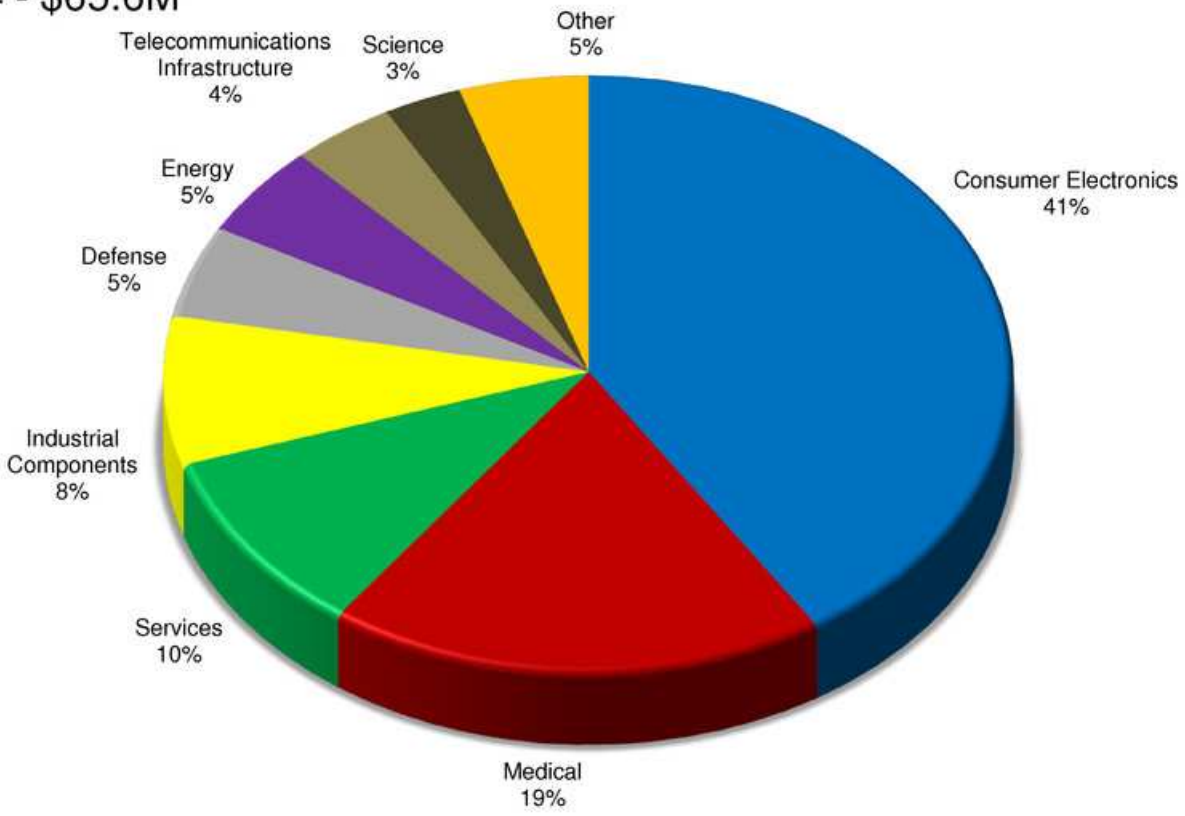



OP% of Value-added Sales 8%

# Value-added Sales: Advanced Material Technologies

MATERION

## Q1-2014 - $65.6M



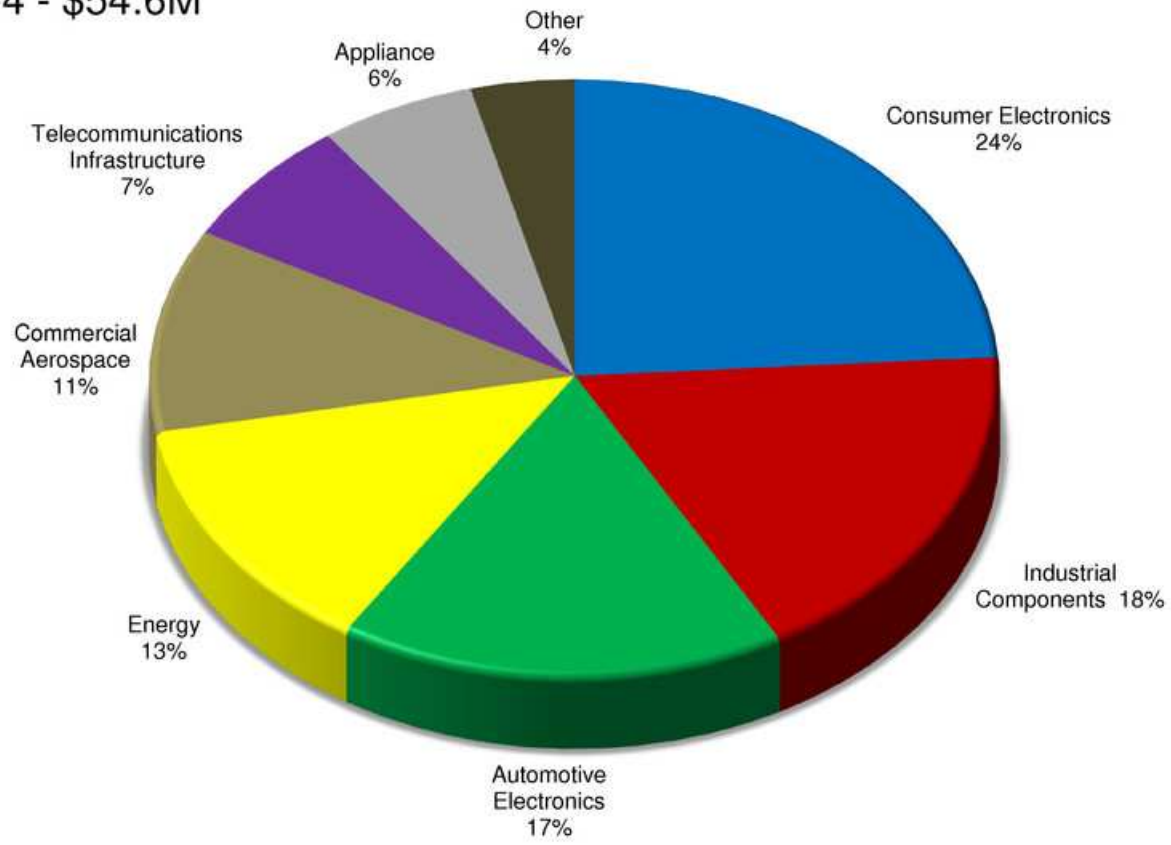



OP% of Value-added Sales 12%

# Value-added Sales: Performance Alloys

MATERION

Q1-2014 - $54.6M



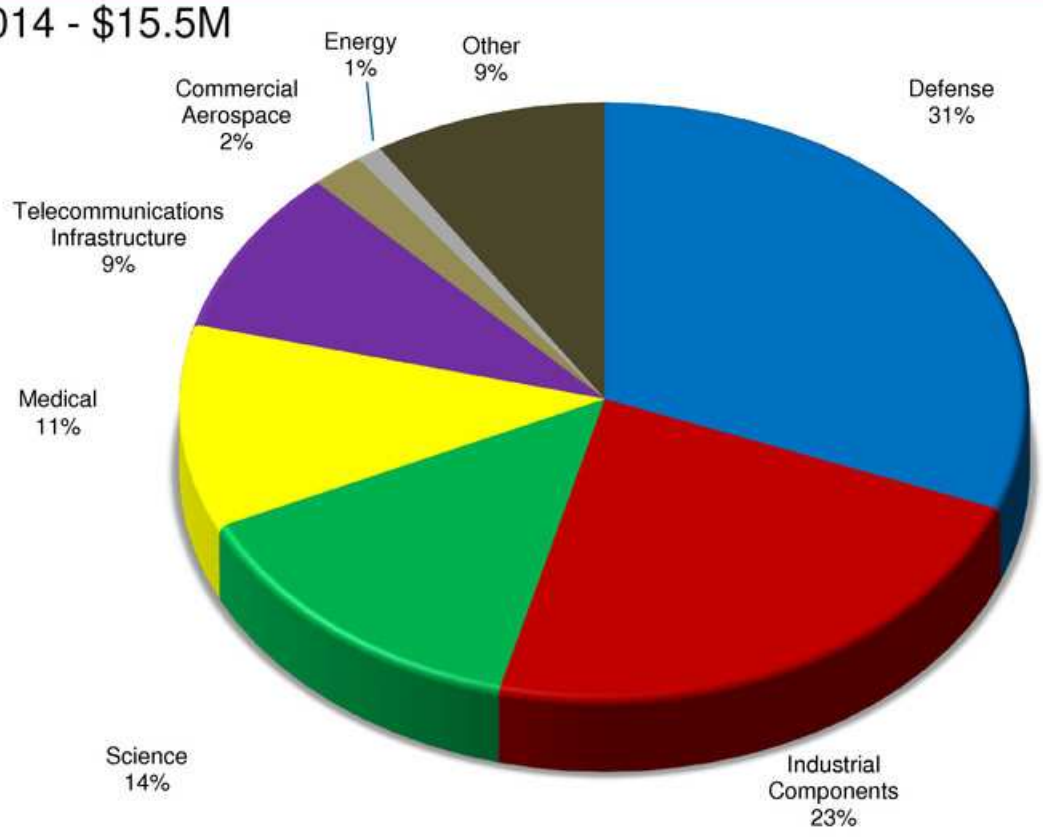



OP% of Value-added Sales 6%

# Value-added Sales: Beryllium and Composites

MATERION

## Q1-2014 - $15.5M






OP% of Value-added Sales 7%

# Value-added Sales: Technical Materials

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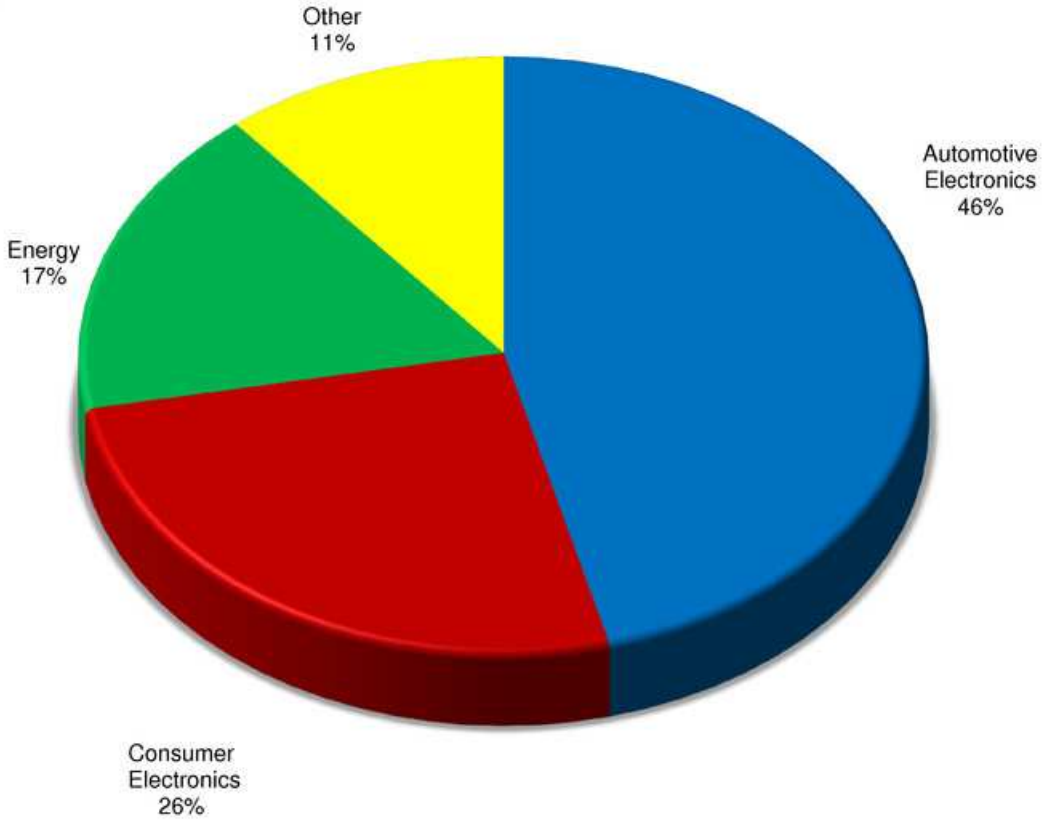
Q1-2014 - $9.2M






OP% of Value-added Sales 2%

# Core Technologies

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1. High Purity Gold and Silver for Industrial Applications
2. Powder Science and Processing (Vacuum, Hot and Cold Isostatic Pressing, Press/Sinter) … Metal, Ceramic and Chemical
3. Full Metal Processing Technology (Melting, Casting, Rolling, Extrusion)
4. Selective Electroplating
5. Precision Optical Filters and Coating Technology
6. Thin Film Large Area Coating
7. Numerous “Specialties” … Cladding, Electron Beam Welding, Diffusion Bonding
8. Shield Kit Cleaning
9. Chemical Synthesis
10. Amorphous Metals / Bulk Metallic Glass (Liquid Metals)

# Continuing to Execute Three-point Strategy

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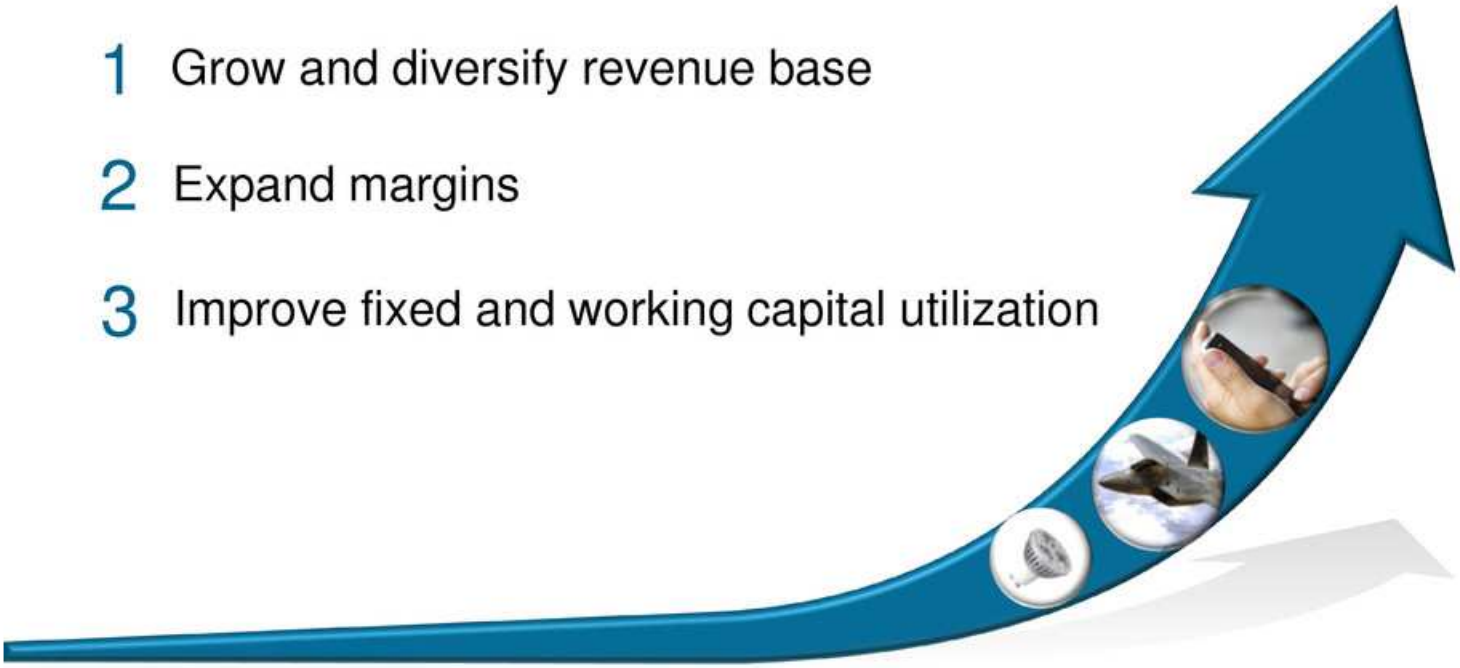
## Increasing Shareholder Value

1. Grow and diversify revenue base
2. Expand margins
3. Improve fixed and working capital utilization



STRATEGY #1: GROWTH

# Expand and Diversify Revenue Base

MATERION

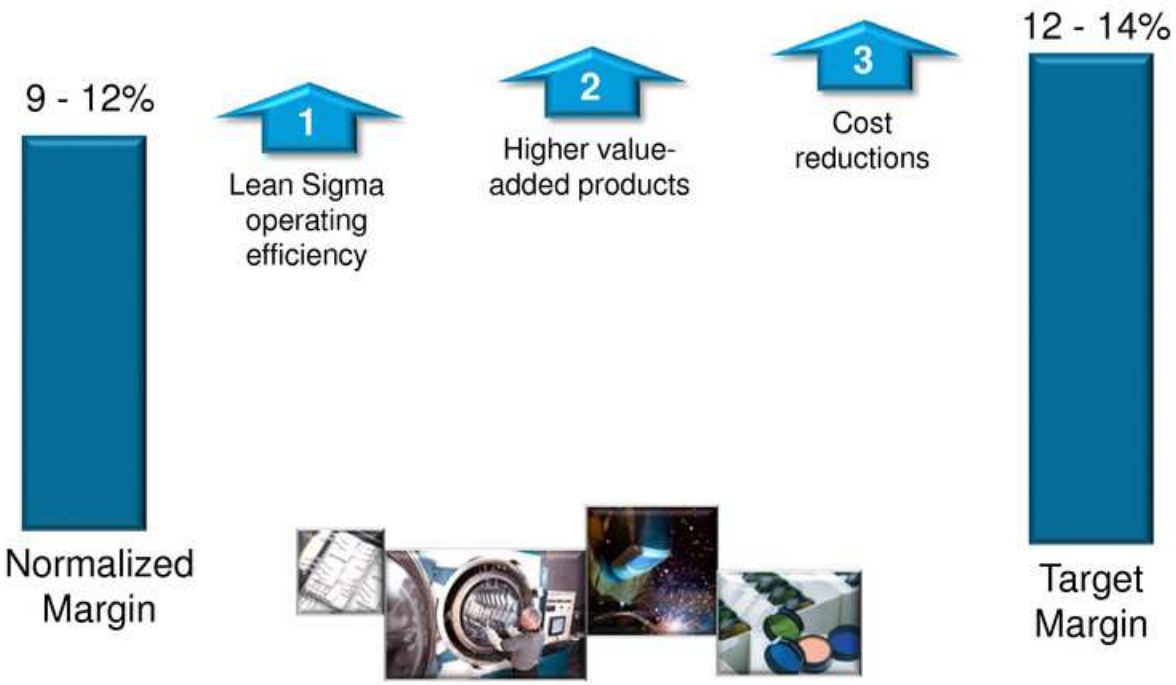
- Targeting expansion in secular growth markets including:
  - Smart mobile devices, 3G / 4G, commercial aerospace, oil & gas, alternative energy, optics, LED / LCD
- Ongoing global expansion
  - Asia
- Strategic acquisition → fast accretion
  - Technology breadth
  - Global reach
  - Product diversification

STRATEGY #2: MARGINS

# Expand Margins – Key Drivers

MATERION

(OP % VA)




Excludes non-recurring items and pass-through metals

STRATEGY #3: CAPITAL EFFICIENCY

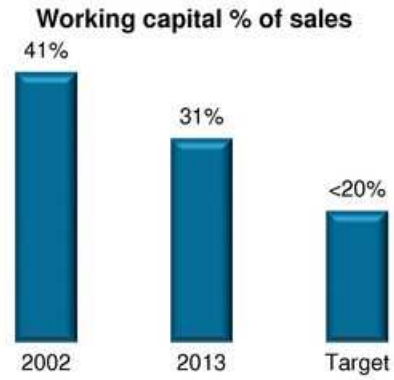
# Improve Fixed and Working Capital Efficiency

MATERION

## Lean Sigma

- Cycle time reduction
- Yield improvement
- On-time shipments

## Improve Working Capital Efficiency

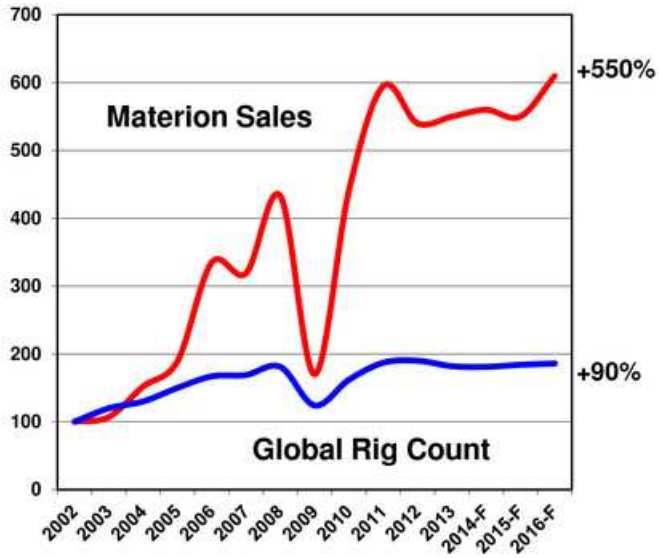



**Each 5% reduction in working capital as a % of sales = $60M of cash**

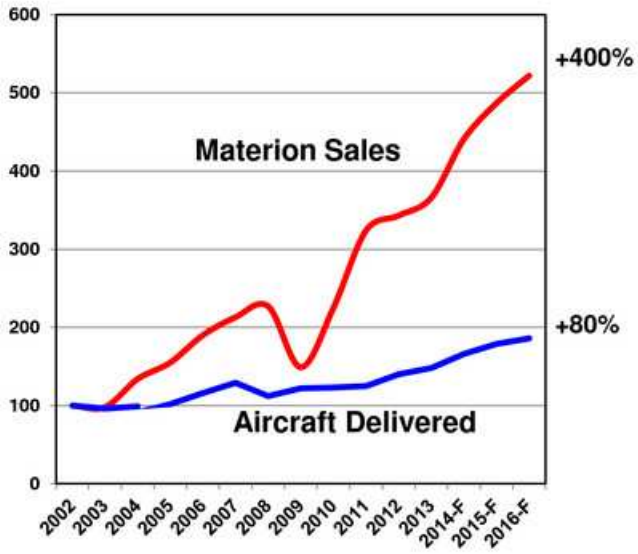
# Strategy in Action: Outgrowing Growth Markets

MATERION

## Growth of Materion Oil and Gas Sales vs. Market




## Growth of Materion Aerospace Sales vs. Market



# New Product and Technology Development

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## Advanced Material Technologies

### Materials and Services

- Expanded Shield Kit Cleaning Services – Including New Technology to Improve Precious Metal Returns
- Materials for High Brightness LEDs
- Specialty Inorganic Compounds for Thin Film Solar Panels (solar, security)
- High Purity Metals and Chemicals for Semiconductor and Display Applications
- Next Generation Memory and Thin Film Head Materials

# New Product and Technology Development

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## Advanced Material Technologies (cont.)

### Coatings

- Thin Film Vapor Deposited Electrodes for Medical Diagnostics
- Precision Optical Thin Film Coatings (Specialty Filters)
- Large Area Format Serving Astronomy, Space, Science
- Multi-hyper – Spectral Array Filters
- Patterned Medical Large Area Coatings Capabilities

### Packaging

- RF Packages for the Latest Infrastructure Technology (3G and 4G)

# New Product and Technology Development

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## Performance Alloys

- ToughMet® Alloy "Strip" for High Volume Bearing Applications
- BrushForm 158 "Strip" for Cell Phone Camera Suspension Applications
- ToughMet® Alloy "Wire" for Next Generation Cell Phone Camera Suspension Applications
- ToughMet® Alloy "Bulk" with Enhanced Impact Toughness
- ToughMet®"Alloy "Sheet" for Vehicle Gearboxes
- "Next Generation" Alloy for Oil & Gas

## Beryllium and Composites

- Nearer Net Shape Fabrication (hot isostatic pressing)
- Truextent™ Speaker Diaphragms
- Investment Casting
- Amorphous Metals / Bulk Metallic Glass
- SupremEX™ Aluminum Metal Matrix Composites
- Improved Foils for X-ray Windows
- Durox ®Alumina Ceramics

## Technical Materials

- Hybrid & Electric Vehicle Battery Components
- Power Electronics
- Smart Grid Meters

# Applications: Smart Phones


**Internal Electronics**

- Precursor materials for GaAs wafer production

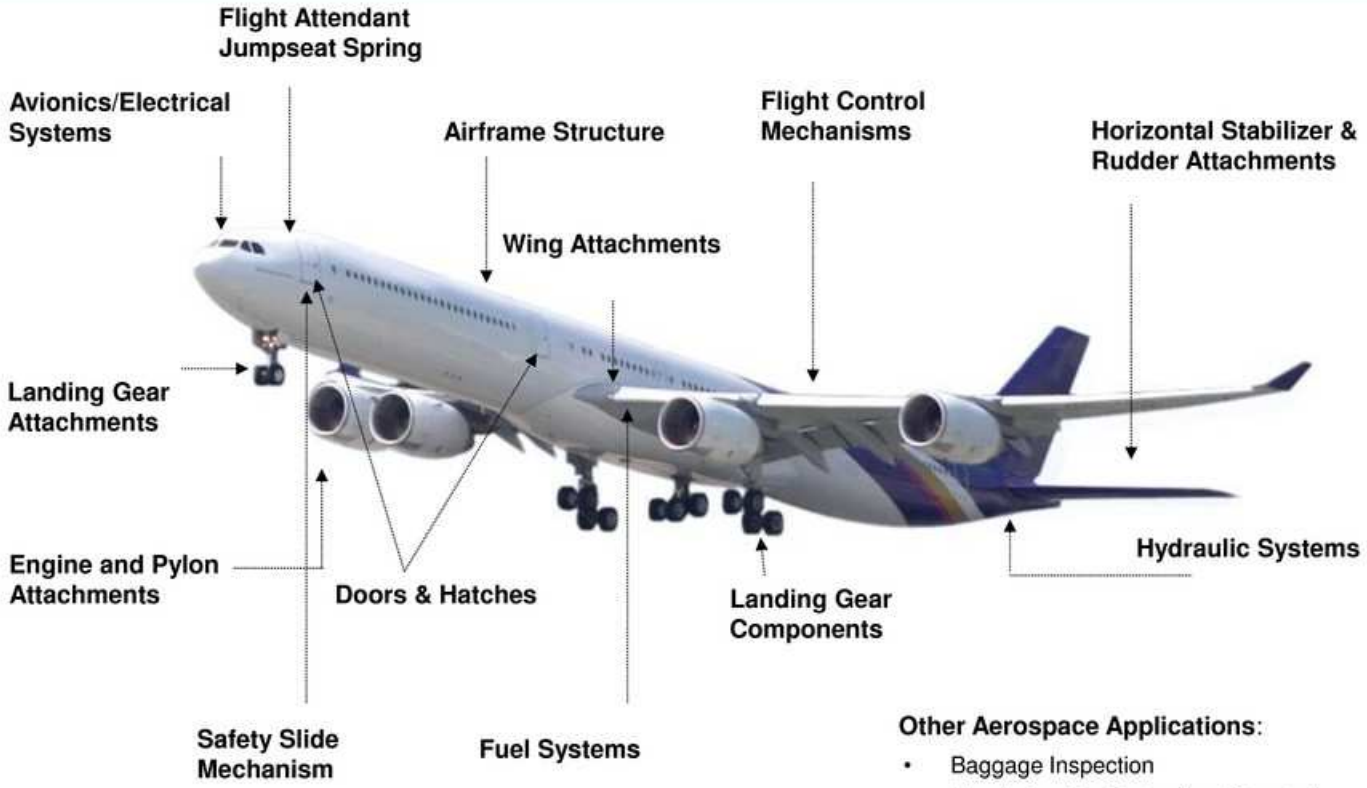
**Internal Electronics and LED**

- Thin Film Materials – Power amplifiers, LED, SAW and BAW devices, filters, and ICs
- Hermetic Solutions for SAW
- Refining / Recycling
- Precision Parts Cleaning

**Other Smart Phone Applications:**

- Circuit Board and IC Inspection
- RoHS Compliance Assurance
- Cellular Infrastructure with High Power RF Packaging

# Applications: Aerospace




**Other Aerospace Applications:**

- Baggage Inspection
- Nondestructive Evaluation (Cracked Component Detection)

# Applications: Oil & Gas

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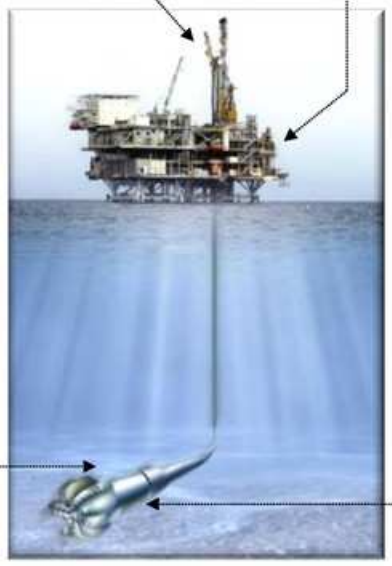
**Wellhead Control Equipment**

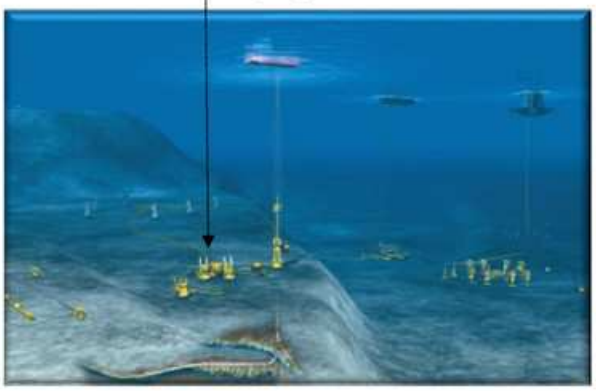
**Structural Rig Components**



**Drill Bits**

**Under Water Wellhead Equipment**

*Remote Operated Vehicles, blow out preventers, hydraulic actuators, control fluid couplings*



**Directional Drilling Equipment**

*Measuring While Drilling (MWD)*

*Logging While Drilling (LWD)*

*Mud Pulse Telemetry (MPT) Systems*

**Other Oil & Gas Applications:**

- **Artificial Lift Equipment**
- **Elemental Analysis**
- **Down Hole X-Ray Inspection**

# Applications: Solar Energy

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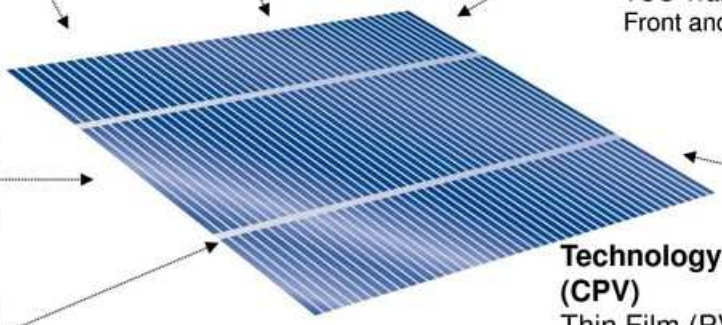
**Technology: Crystalline Silicon (Si)**
Interconnect Materials
Front and backplane systems for high efficiency designs.

**Technology: Flexible** Solar Cells / Building Integrated Photovoltaic:
Thin Film Services:
Solar cells built in flexible substrates to accommodate applications such as roofing tiles or defense.

**Technology: Cadmium Telluride (CdTe)**
Thin Film (PVD) Materials
Cadmium based solar cell architecture. N and P type Cadmium Semiconductor materials
TCO Transparent Conductive Oxide layers
Front and Back-contact layers



**Technology: Copper Indium Gallium Selenide (CIGS)**
Thin Film (PVD) Materials as well as Powders for Printing CIGS applications
Copper Indium Gallium Selenide thin film and screen printing applications for flexible and rigid solar cells.

25 Alloy Strip
Panel Interconnects

**Technology: Amorphous Silicon (a-Si, tandem and multi-junction)**
Thin Film (PVD) Materials
Silicon based photovoltaic cells
Front and back contact layers
TCO Transparent Conductive Oxide layers

**Technology: Concentrator Photovoltaic (CPV)**
Thin Film (PVD) Materials
Solar technology based on concentrating Solar rays into a semiconductor device via large lens.
Anti-Reflection Coating Materials
Precious metal contact materials

Micro Electronic Packaging Products:
Bonding Ribbon - Au & Ag
Lead-free Solders
Metalized Ceramic Substrates

# Applications: Medical

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**Seizure Control**

- Thin Film Deposition Implantable Electrode – Parkinson's disease (R&D)

**Battery Contacts for Hearing Aids**

**Radiation Therapy – Neutron Reflectors**

**Cardiac Rhythm Management**

- Electronic Interconnects/Components
  - Niobium/Titanium Electron Beam Weld

**X-Ray Mammography**

**Subcutaneous Glucose Analysis**

- Thin Film Coatings – Electrode Monitoring device

**External Glucose Analysis**

- Subcutaneous sensors for glucose measurement

**Insulin Pump**

- EMI Shielding and Grounding
- Electrical Terminals in Connectors

**Other Medical Applications:**

- DNA Sequencing Optics
- CT Scan
- Diagnostic X-Rays
- Advanced Drug Delivery Components
- Diagnostic Electronic Components
- Anesthesia Monitoring Components
- Operating Instruments
- Medical Radioisotopes (production reactors)
- RF connectors for MRI equipment, communication devices
- RF Connectors for Portable Diagnostic/Therapeutic Equipment

# Applications: Telecommunications Infrastructure

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**Base Stations**

- Coaxial Connectors
- High Power Amplifiers

**Local Area Networks**

- Shielding
- Modular Jacks
- PCB Sockets
- Processor Sockets

**Other Telecommunications Infrastructure Applications**

- Undersea Repeater Housings

# Applications: Automotive Electronics

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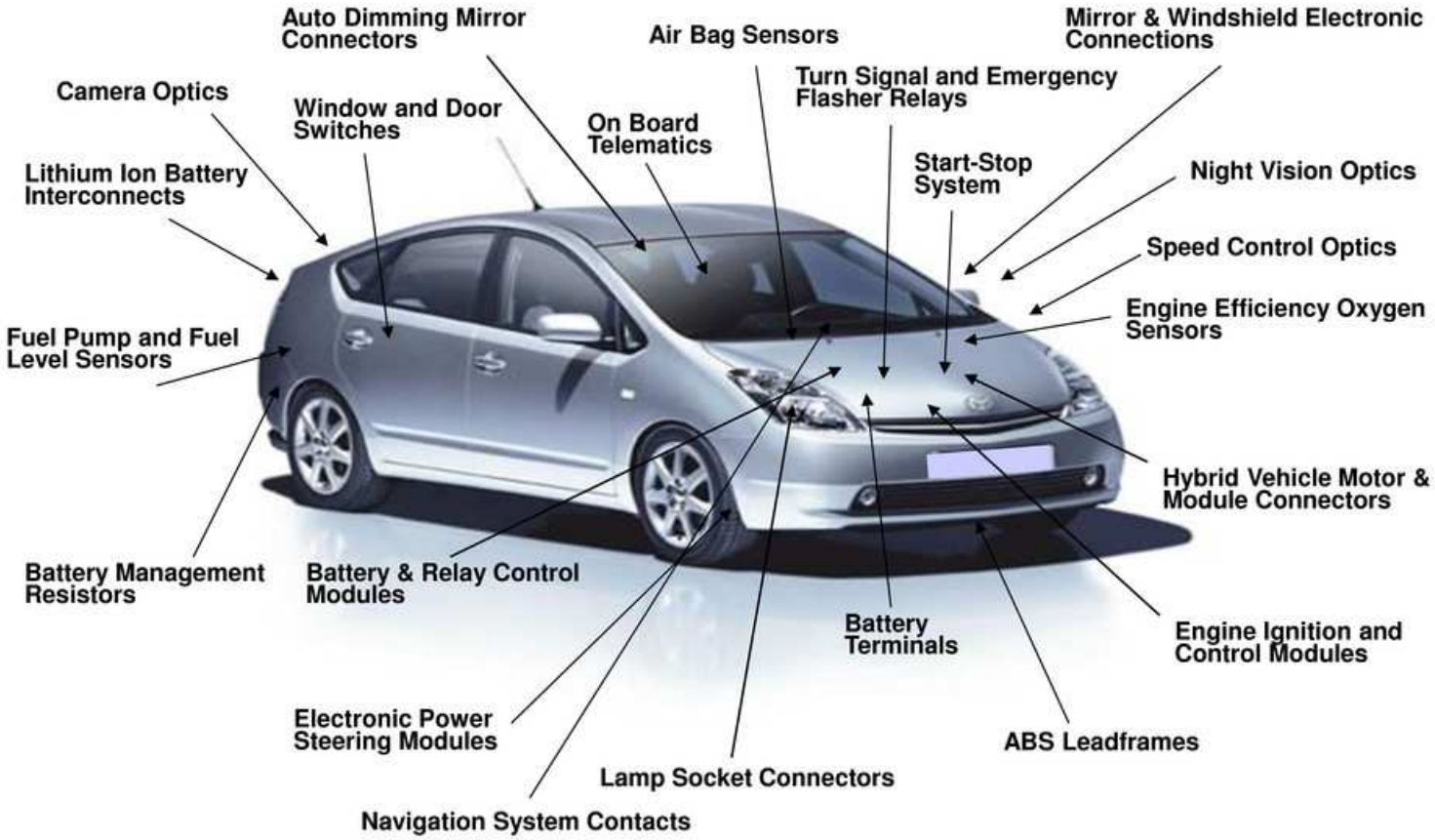

# Applications: Defense

MATERION

- Infrared Sensors for Fighter Jet and UAV Optical Targeting
- Electronic Packaging for Defense Avionics, Radar and Electronic Countermeasure Systems
- Structural and Electronic Components for Satellites
- X-ray Windows in Security Imaging Systems
- Laser Protection Optical Coatings
- Night Vision System Optics

# Value-added Sales - Reconciliation of Non-GAAP Measure

MATERION

| $ Millions | First Quarter 2014 | First Quarter 2013 | Fourth Quarter 2013 |
|---|---|---|---|
| **Sales** | | | |
| Advanced Material Technologies | $ 163.2 | $ 193.9 | $ 178.1 |
| Performance Alloys | 66.7 | 74.5 | 73.8 |
| Beryllium and Composites | 15.4 | 12.3 | 19.1 |
| Technical Materials | 13.6 | 18.5 | 15.1 |
| All Other | - | - | - |
| Total | $ 258.9 | $ 299.2 | $ 286.1 |
| **Less: Pass-through Metal Cost** | | | |
| Advanced Material Technologies | $ 97.6 | $ 125.2 | $ 109.7 |
| Performance Alloys | 12.1 | 15.3 | 14.0 |
| Beryllium and Composites | - | - | - |
| Technical Materials | 4.4 | 7.4 | 5.2 |
| All Other | - | - | - |
| Total | $ 114.1 | $ 147.9 | $ 128.9 |
| **Value-added Sales (non-GAAP)** | | | |
| Advanced Material Technologies | $ 65.6 | $ 68.7 | $ 68.4 |
| Performance Alloys | 54.6 | 59.2 | 59.7 |
| Beryllium and Composites | 15.5 | 12.3 | 19.1 |
| Technical Materials | 9.2 | 11.1 | 10.0 |
| All Other | - | - | - |
| Total | $ 144.9 | $ 151.3 | $ 157.2 |
| **Gross Margin** | | | |
| Advanced Material Technologies | $ 23.2 | $ 24.9 | $ 24.5 |
| Performance Alloys | 15.5 | 17.3 | 16.0 |
| Beryllium and Composites | 4.9 | 2.7 | 4.3 |
| Technical Materials | 2.0 | 3.6 | 4.0 |
| All Other | (0.2) | (0.2) | 0.3 |
| Total | $ 45.4 | $ 48.3 | $ 49.1 |
| **Operating Profit** | | | |
| Advanced Material Technologies | $ 7.6 | $ 3.4 | $ (0.5) |
| Performance Alloys | 3.5 | 7.2 | 4.7 |
| Beryllium and Composites | 1.1 | (1.3) | 0.3 |
| Technical Materials | 0.2 | 1.4 | 1.6 |
| All Other | (1.4) | (1.2) | (0.7) |
| Total | $ 11.0 | $ 9.5 | $ 5.4 |

The cost of gold, silver, platinum, palladium and copper is passed through to customers and therefore the trends and comparisons of sales are affected by movements in the market price of these metals. Internally, management reviews sales on value-added basis. Value-added sales is a non-GAAP measure that deducts the value of the pass-through metals sold from sales. Value-added sales allows management to assess the impact of differences in sales between periods or segments and analyze the resulting margins and profitability without the distortion of the movements in pass-through metal prices. The dollar amount of gross margin and operating profit is not affected by the value-added sales calculation. The Company sells other metals and materials that are not considered direct pass throughs and their costs are not deducted from sales to calculate value-added sales.

The Company's pricing policy is to pass the cost of these metals on to customers in order to mitigate the impact of price volatility on the Company's results from operations and value-added information is being presented since changes in metal prices may not directly impact profitability. It is the Company's intent to allow users of the financial statements to review sales with and without the impact of the pass-through metals.

# Non-GAAP Value-added Operating Profit Margins

MATERION

Value-added Sales Ratios

| 1st Quarter 2014 | First Quarter 2014 | First Quarter 2013 | Fourth Quarter 2013 |
|---|---|---|---|
| Gross Margin as a Percent of Value-added Sales | | | |
| Advanced Material Technologies | 35% | 36% | 36% |
| Performance Alloys | 28% | 29% | 27% |
| Beryllium and Composites | 32% | 22% | 22% |
| Technical Materials | 22% | 32% | 41% |
| Total | 31% | 32% | 31% |
| | | | |
| Operating Profit as a Percent of Value-added Sales | | | |
| Advanced Material Technologies | 12% | 5% | -1% |
| Performance Alloys | 6% | 12% | 8% |
| Beryllium and Composites | 7% | -11% | 1% |
| Technical Materials | 2% | 13% | 17% |
| Total | 8% | 6% | 3% |

Value-added sales is a non-GAAP measure. See attached reconciliation.