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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 4, 2016

Materion Corporation

(Exact name of registrant as specified in its charter)

Ohio

(State or other jurisdiction of  
incorporation)

001-15885

(Commission File  
Number)

34-1919973

(I.R.S. Employer Identification  
No.)

6070 Parkland Blvd., Mayfield Hts., Ohio

(Address of principal executive offices)

44124

(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 4, 2016, 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.*

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	May 2016 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 4, 2016

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

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**Exhibit Index**

<b>Exhibit No.</b>	<b>Description</b>
99.1	May 2016 Investor Presentation



**MATERION**

# Investor Presentation

May 2016

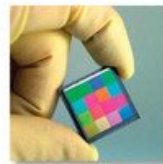
# Forward-looking Statements

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 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.

These slides include certain non-GAAP financial measures as defined by the rules and regulations of the Securities and Exchange Commission. A reconciliation of those measures to the most directly comparable GAAP equivalent is provided in the Appendix to this presentation as well as a glossary of non-GAAP definitions.

Making advanced materials that  
improve the world



# Materion at a Glance

	2015
Revenues	\$1.03B
Value-added sales	\$617.2M
Adjusted EPS <sup>(1)</sup>	\$1.60
Market cap @ 12/31/15	\$560M
Debt-to-capitalization	3%
Operating cash flow	\$90M
Dividend yield	~1%
EV @ 12/31/15 / Adjusted EBITDA <sup>(1)</sup>	6.9

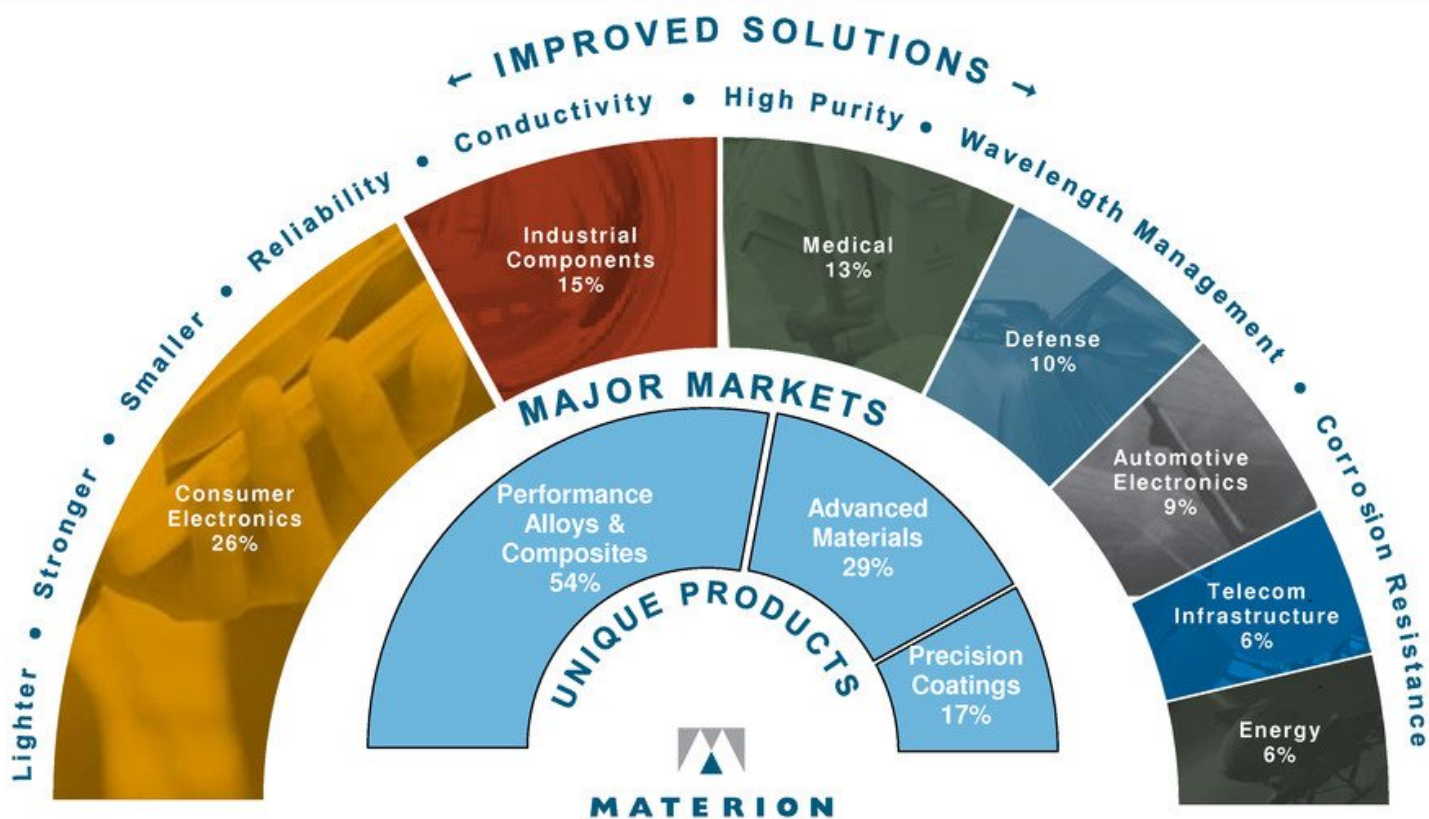


(1) Non-GAAP, excludes special items



WHAT WE DO

# Materion: Mission Critical Advanced Materials



# Entering a Phase of Renewed Long-term Profitable Growth

2002

Transformation:  
Growth in new markets  
and technologies



2012 / 2014

Consolidation  
and product  
rationalization




Today

Sharpened execution,  
renewed long-term  
profitable growth



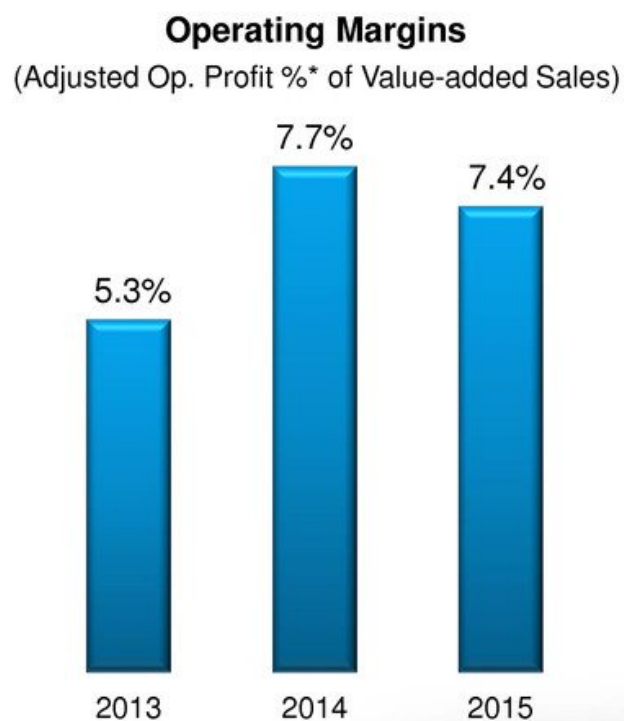
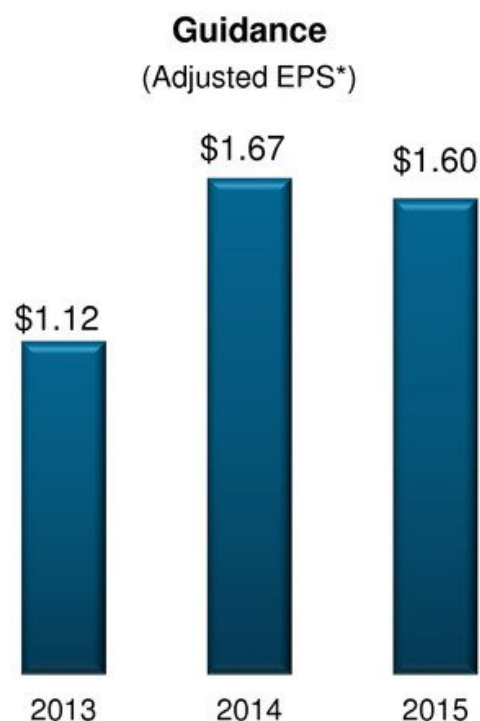
# Materion: The Transformation

Faster growth – Higher margins – Stronger balance sheet

				
GDP growth	→	Multiples of GDP		
Limited markets	→	Broader market opportunities		
Low margin	→	Higher margin		
High infrastructure	→	Efficient infrastructure		
High fixed and working capital	→	Lower capital intensity		
Slow cash to cash cycle	→	Faster cash cycle		



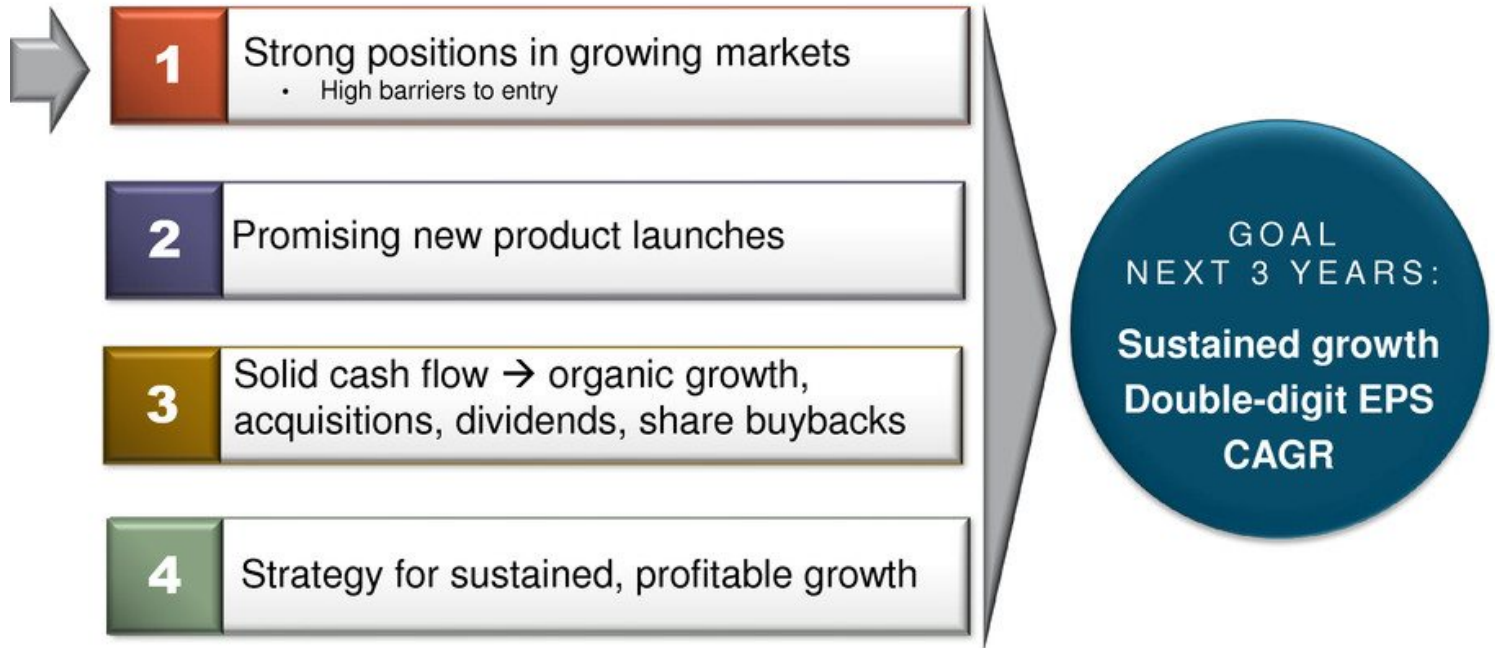
# Performing Well Despite Headwinds



\* Adjusted EPS and operating profit percent of value-added sales are non-GAAP results which exclude non-recurring costs in 2013 of \$0.15 per share, non-recurring gains of \$0.35 per share in 2014 and non-recurring gains of \$0.02 per share in 2015.



# Why Invest in Materion?





# Secular Market Trends Play to our Strengths

## Key Trends

- Miniaturization of electronics/IOT
- Additional electronic instruments for autos, aircraft
- Expanding high performance optical device opportunities
- Innovation in medical diagnostics and sensors
- Extraction of O&G from previously inaccessible locations
- Alternative energy
- New aircraft builds and retrofits
- Advancements in lighting (LED)








## Characteristics of our Materials

- ✓ Conductivity
- ✓ Corrosion resistance
- ✓ Weight savings (lighter)
- ✓ Purity
- ✓ Wavelength management
- ✓ Heat resistance
- ✓ Lubricity
- ✓ Reliability
- ✓ Durability
- ✓ Miniaturization
- ✓ Strength



# Well-positioned with Leading Global Product Offering

## Key Differentiated Products

Product		2015 Percent of Value-added Sales	Expected Annual Growth Next 3-5 Years
	Leading supplier of beryllium-containing products	~40%	↑
	Leading supplier of high-purity precious metal for PVD market	~22%	↑
	Leading supplier of high-end optical coatings	~9%	↑↑
	Leading supplier of specialty coating test strips for medical diagnosis	~7%	↑↑
	Only supplier of unique copper-nickel-tin materials, ToughMet®	~6%	↑↑

↑ Single digit growth

↑↑ Double digit growth

# Evolving Potential from Beryllium Supply Shortage

## Materion – leading position in beryllium market

- Only global integrated producer
  - approximately 70 years of proven reserves in Utah mine
  - supplies over 70% of world's mined beryllium
- 40% of company sales include beryllium in some form



## Signs of shortage ahead

- Global stockpiled sources depleting
- No other commercially active bertrandite ore mine

- Materion positioned to support world demand
- Significant incremental profit potential



# Why Invest in Materion?

**1**

Strong positions in growing markets

- High barriers to entry

**2**

Promising new product launches

**3**

Solid cash flow → organic growth,  
acquisitions, dividends, share buybacks

**4**

Strategy for sustained, profitable growth

GOAL  
NEXT 3 YEARS:

**Sustained growth**  
**Double-digit EPS**  
**CAGR**

# Wide Range of Strategic Investments...

**New Wafer Coating Facility**



**ISO Class 5 for Semiconductor Cleanroom**



**Increased Capacity LED Phosphor**



**ToughMet® Capacity Expansion**



**Expanded Beryllium Hydroxide Capacity**



**Singapore Expansion**



# ... Driving Record Number of New Product Launches

## Examples of New Products

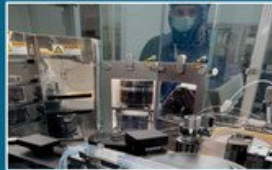
Gesture Controls



Dovetail Clad



Wafer Level Processing



ToughMet®  
Oil & Gas



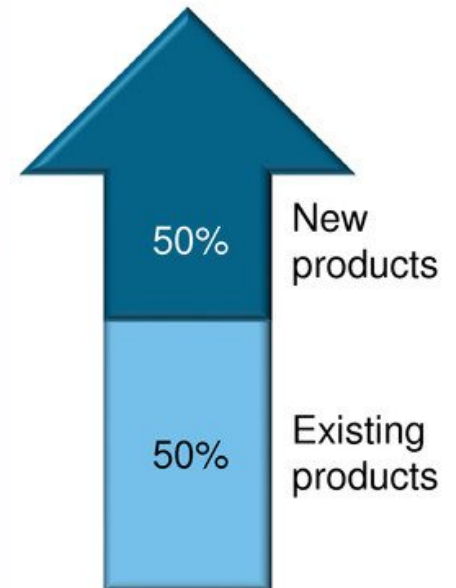
Bulk Metallic Glass  
(Liquidmetal)



Dovetail Connectors



## Sales Growth



Sales from new products were 12% of total value-added sales for 2015

# Why Invest in Materion?

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**CAGR**



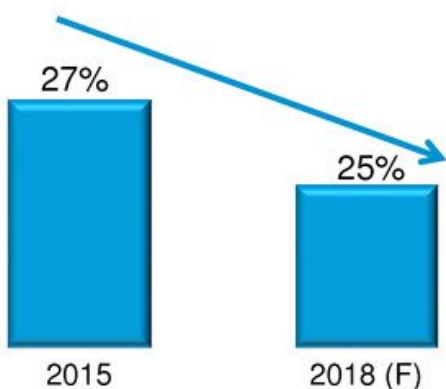
# Cash Flow and Working Capital Efficiency Focus

## Lean Sigma

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

## Improve Working Capital Efficiency

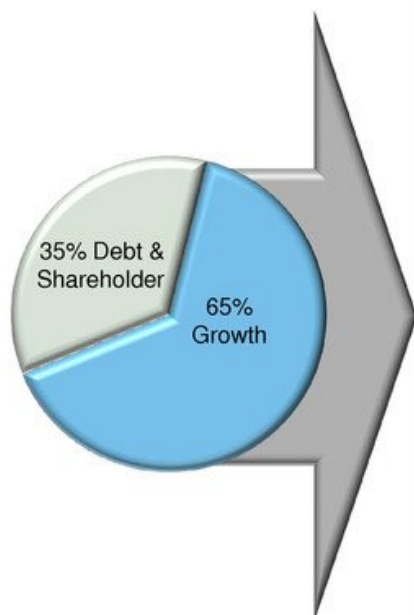
Working capital % of net sales



## Cash Flow from Operations (\$ in millions)



# Disciplined Capital Deployment Going Forward



## Return Cash to Shareholders

- Share repurchase - \$50M authorization (\$20M remaining)
- Dividends – increased 6% in 2015



## Capex Below Depreciation

- Invest in facilities
- Invest in new products



## Growth

- Organic
- Selective bolt-on acquisitions



# Why Invest in Materion?

**1**

Strong positions in growing markets

- High barriers to entry

**2**

Promising new product launches

**3**

Solid cash flow → organic growth,  
acquisitions, dividends, share buybacks

**4**

Strategy for sustained, profitable growth

GOAL  
NEXT 3 YEARS:

**Sustained growth**  
**Double-digit EPS**  
**CAGR**

# Continuing to Execute Three Point Strategy

## Creating Shareholder Value

1

### Grow and Diversify Revenue

- New products
- Asia expansion
- Strategic acquisitions



2

### Expand Margins

- Higher margin products
- Cost reductions
- Disciplined pricing



3

### Improve Capital Utilization

- Lean sigma
- Improve working capital efficiency





# High Value-added Business Model





**MATERION**

## Appendix

# Top Key Markets Over 80% of Sales

Market	Q1 2016 % of Value-added Sales	Macro Trends	Key Drivers
Consumer Electronics	26%	↗	<ul style="list-style-type: none"> <li>• Smart device growth</li> <li>• Gesture control</li> </ul>
Industrial Components	15%	↗	<ul style="list-style-type: none"> <li>• Heavy equipment builds</li> <li>• Plastic tooling</li> <li>• Fire protection (R and C construction)</li> </ul>
Medical	13%	→	<ul style="list-style-type: none"> <li>• Blood analysis test coating for medical diagnosis</li> <li>• Nuclear diagnostics equipment</li> </ul>
Defense	10%	↗	<ul style="list-style-type: none"> <li>• Night vision system optics</li> <li>• Structural and electronic components for satellites</li> </ul>
Automotive Electronics	9%	→	<ul style="list-style-type: none"> <li>• Increasing global car production</li> <li>• Electronic systems and engine control</li> </ul>
Telecom Infrastructure	6%	↗	<ul style="list-style-type: none"> <li>• Undersea repeater housings</li> <li>• Shielding, modular jacks, PCB and processor sockets for local area networks</li> </ul>
Energy	6%	→	<ul style="list-style-type: none"> <li>• Deep sea drilling and completion</li> <li>• Directional drilling</li> <li>• Solar, batteries and smart grid devices</li> </ul>

# Strong Cash Flow and Balance Sheet

## Cash Flow

2015 operating  
cash flow

**\$90M**

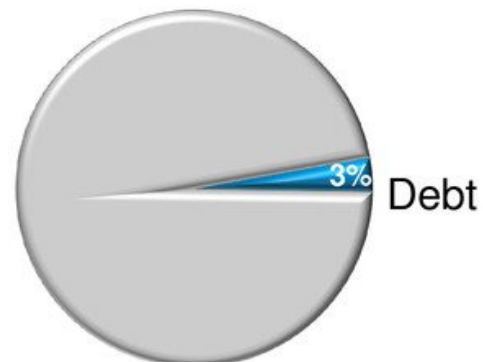
Average operating cash  
flow last 5 years

**>\$60M**

## Balance Sheet

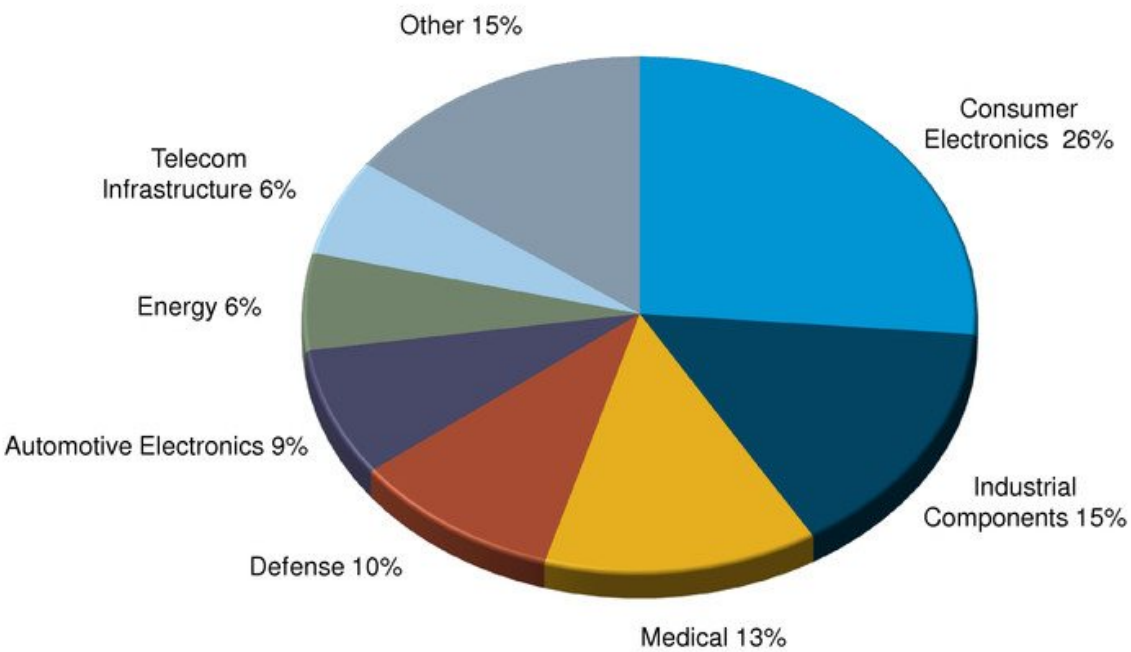
2015

Total Capitalization



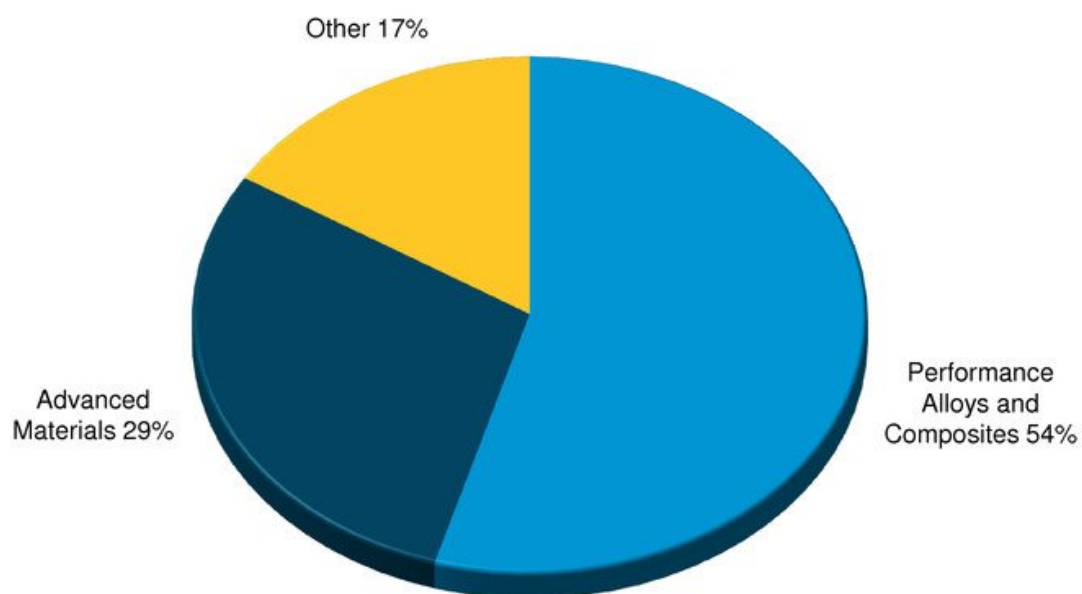
# Materion Value-added Sales by Market

Q1 2016 - \$143.9M



# Value-added Sales by Segment

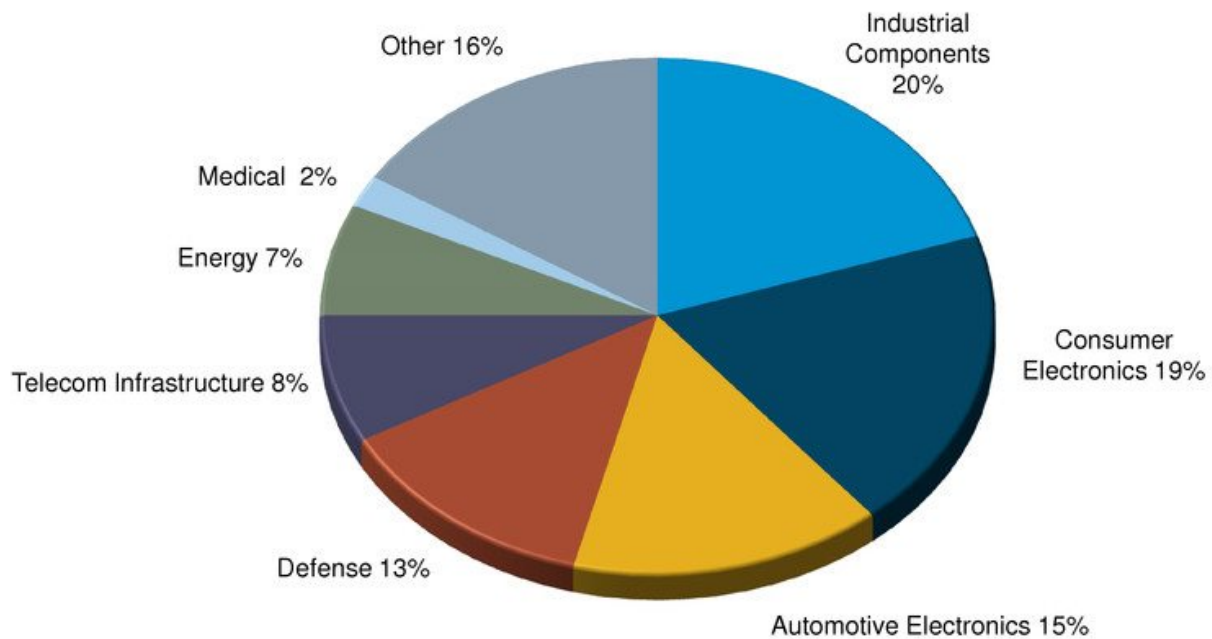
**Q1 2016 - \$143.9M**





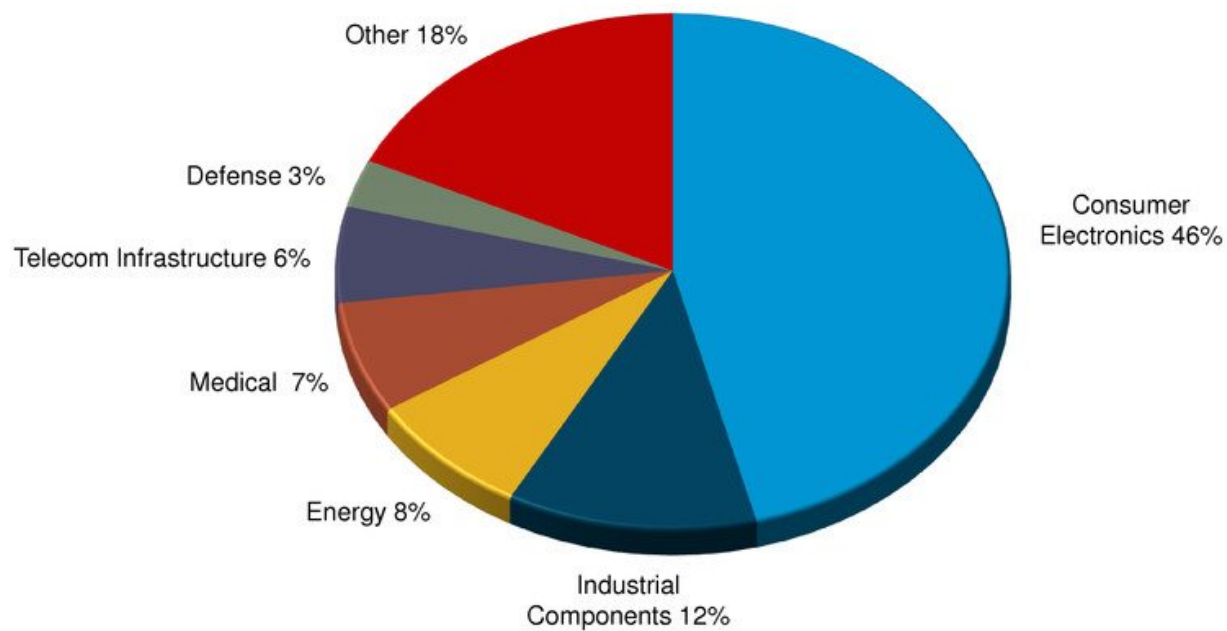
# Value-added Sales: Performance Alloys and Composites

Q1 2016 - \$78.2M



# Value-added Sales: Advanced Materials

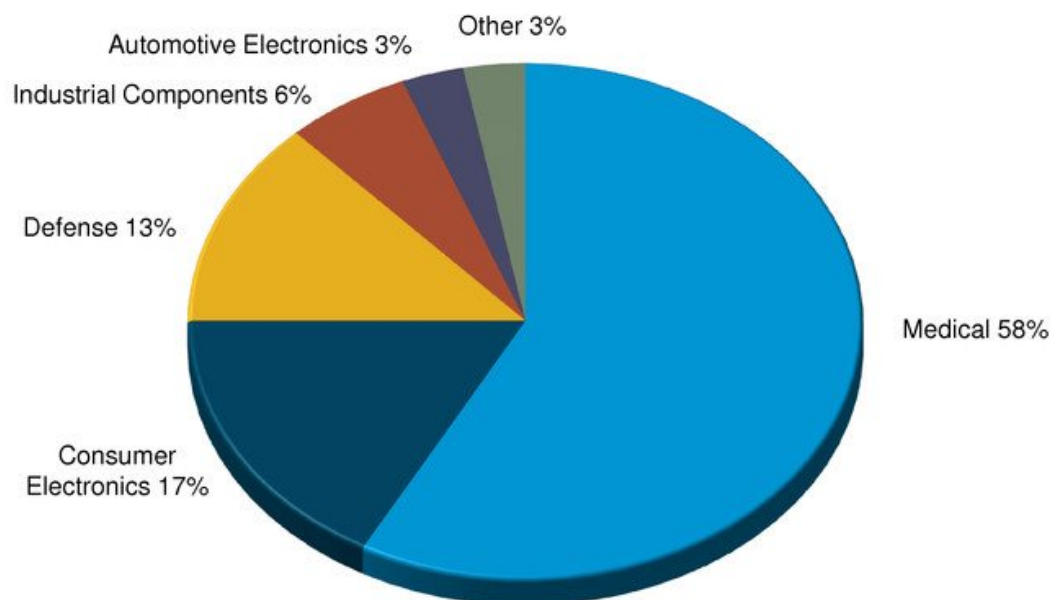
**Q1 2016 - \$42.1M**





## Value-added Sales: Other

**Q1 2016 - \$24.0M**



# Core Technologies

1	High purity precious metal refining and life cycle management for electronics and industrial applications
2	Powder metallurgy, high pressure consolidation to processing of finished products
3	Metal surface enhancement by cladding, electroplating and surface treatments
4	Wide spectrum, precision optical filter coating and fabrication
5	Continuous roll-to-roll thin film large area coating
6	Inorganic chemical synthesis, refining, processing and recycling
7	Amorphous metals / bulk metallic glass materials
8	Full spectrum metal processing, from ore through smelting, hot and cold processing to finished shapes
9	Cleaning, precious metal recycling and refurbishing of semiconductor fab equipment shield kits
10	Vapor deposition sputtering target technology, from metals refining to target manufacture and recycling



# New Product and Technology Development

## Performance Alloys and Composites

- ToughMet® alloy “strip” for high volume bearing applications
- BrushForm 158 “strip” for cell phone camera suspension applications
- ToughMet® for oil production couplings
- ToughMet® alloy “bulk” with enhanced impact toughness
- ToughMet® “alloy “sheet” for vehicle gearboxes
- “Next generation” alloy for oil & gas



- Nearer net shape fabrication (hot isostatic pressing)
- Investment casting
- Amorphous metals / bulk metallic glass
- SupremEX™ aluminum metal matrix composites
- Improved foils for x-ray windows
- Durox® alumina ceramics



- Dovetail connector for hybrid car systems
- eStainless for cellphone and tablet applications
- Smart grid meters



# New Product and Technology Development

## Advanced Materials

### 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, compound semiconductor and display applications
- Next generation technology in memory and thin film head materials



### Packaging

- RF packages for the latest infrastructure technology (3G and 4G)



# New Product and Technology Development

Other

## 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
- Precision reel-to-reel medical thin film coating, patterning and conversion of thin flexible substrates





# Applications: Smartphones

## Internal Antenna Contacts

Voice Coil Motor (auto focus lens stabilizer)

Grounding Clips and Audio Jacks

Micro Mezzanine Connectors for LCD Screen

I/O Connector Contacts

## 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

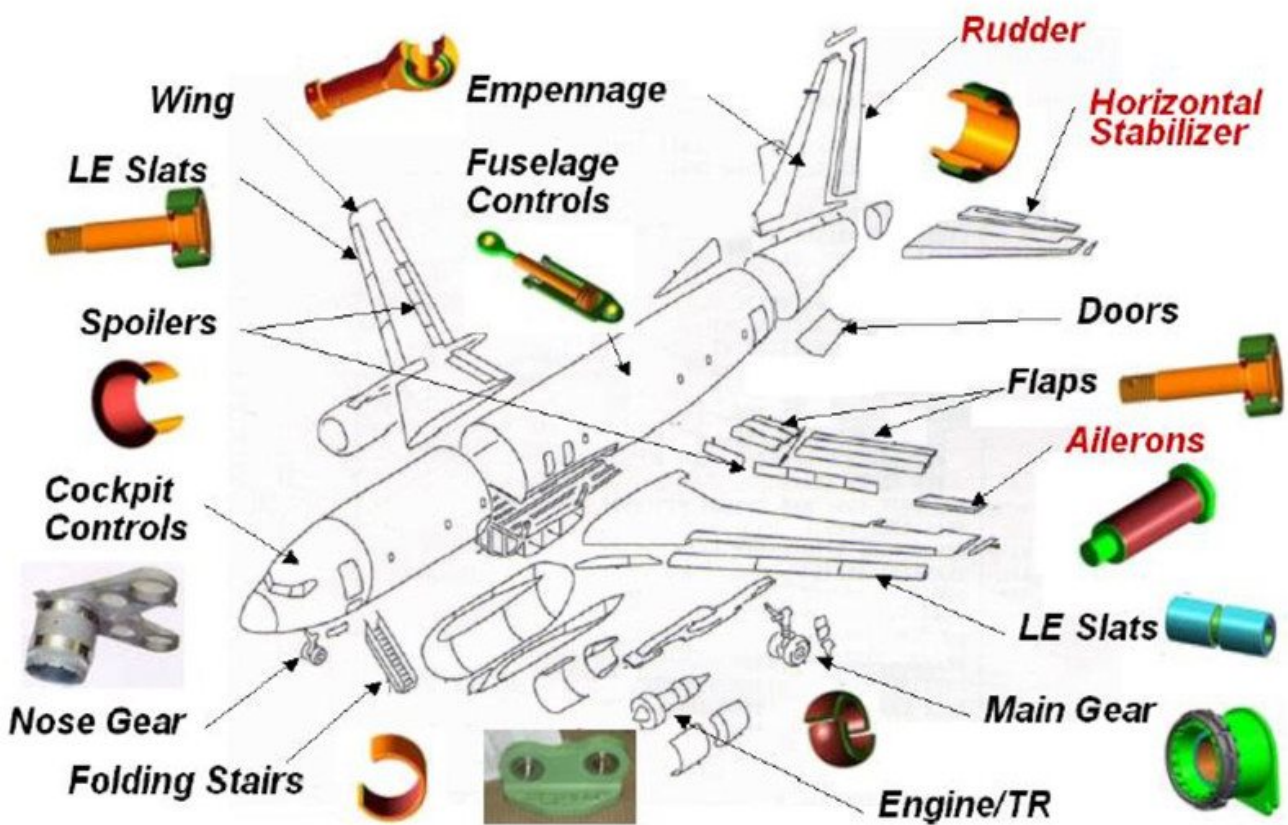
Battery Contacts

### Other Smart Phone Applications:

- Circuit board and IC inspection
- RoHS compliance assurance
- Cellular infrastructure with high power RF packaging



# Application: Aircraft



# ToughMet Heavy Machinery Applications



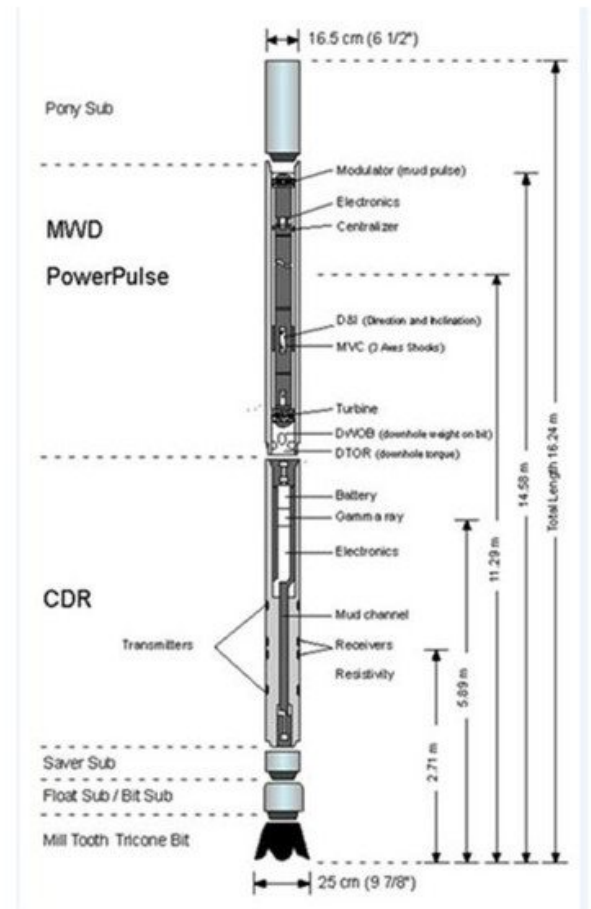
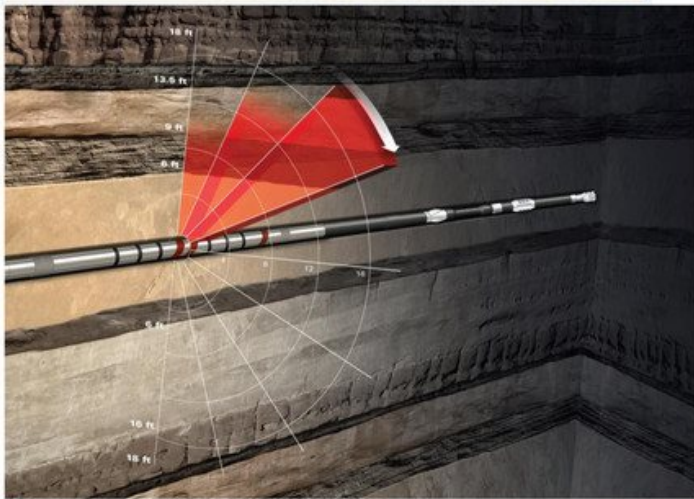
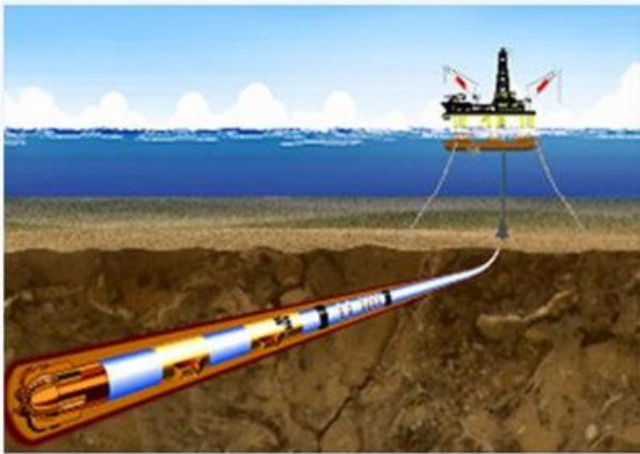
Steel at 3600 hours

ToughMet® at 8125 hours



# Directional Drilling and Measurement

(Many ToughMet Components)



© 2013 – Proprietary to Materion Brush Inc.

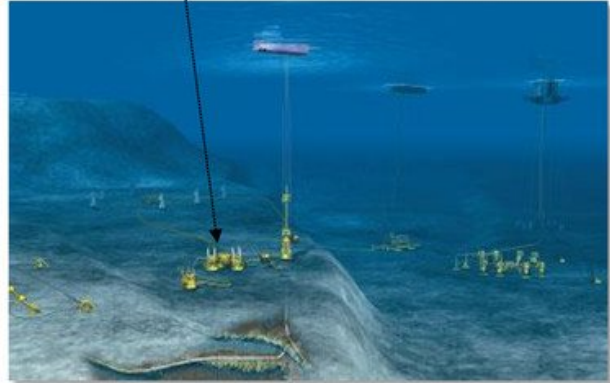


# Applications: Oil & Gas



## Under Water Wellhead Equipment

- Remote operated vehicles, blow out preventers, hydraulic actuators, control fluid couplings



## Other Oil & Gas Applications:

- Artificial lift equipment
- Elemental analysis
- Down hole x-ray inspection

# Applications: Medical

## Seizure Control

- Thin film deposition implantable electrode – Parkinson's disease (R&D)

## 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

## Battery Contacts for Hearing Aids

## Radiation Therapy – Neutron Reflectors

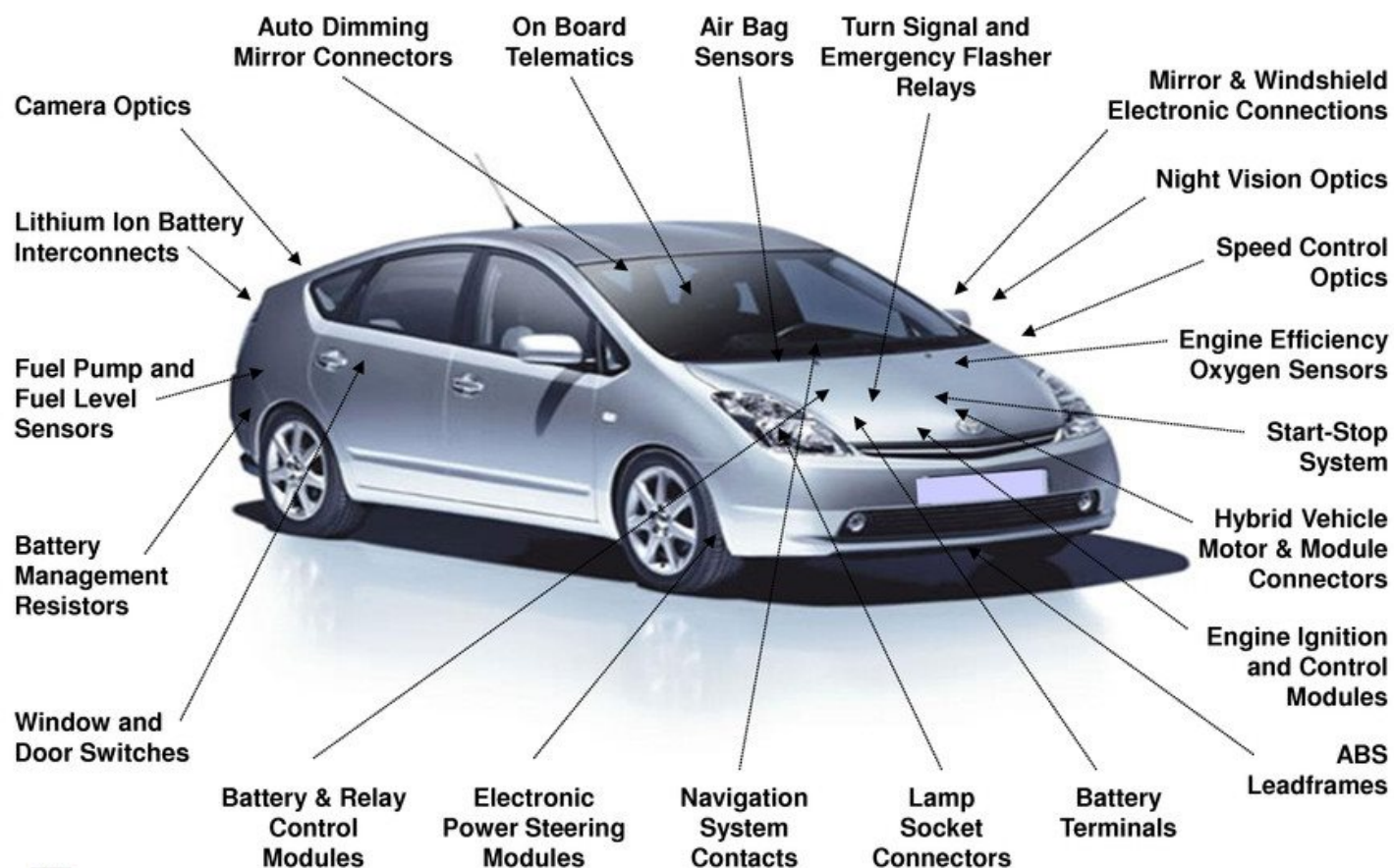
## Cardiac Rhythm Management

- Electronic interconnects / components
- Niobium / titanium electron beam weld

## 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: Automotive Electronics





# Applications: Defense

- 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



  
MATERION



A-20

# Applications: Telecommunications Infrastructure



## **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: Solar Energy

## Technology: Crystalline Silicon (Si)

### Interconnect Materials

- Front and backplane systems for high efficiency designs

## 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

## 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: 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

### 25 Alloy Strip

- Panel interconnects

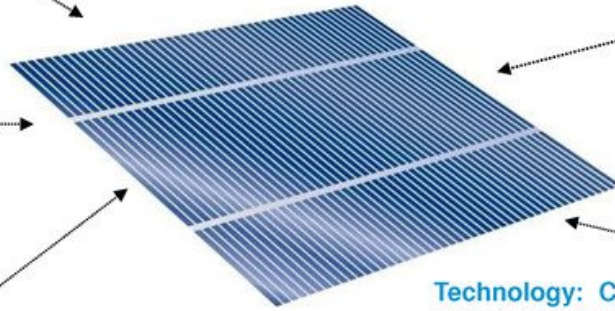
## Technology: Concentrator Photovoltaic (CPV)

### 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



# Reconciliation of Non-GAAP Measure - Profitability

(In millions except per share amounts)	Fourth Quarter Ended		Twelve Months Ended	
	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2015	Dec. 31, 2014
<b>GAAP as Reported</b>				
Net sales	\$ 214.1	\$ 288.4	\$ 1,025.3	\$ 1,126.9
Gross margin	43.1	55.9	\$ 190.8	205.9
Operating profit	8.1	14.4	\$ 45.3	57.6
Net income	6.8	12.3	\$ 32.2	42.1
EPS - Diluted	\$ 0.33	\$ 0.60	\$ 1.58	\$ 2.02
<b>Reorganization costs (benefits)</b>				
Cost of goods sold	\$ 0.1	\$ —	\$ 0.8	\$ 0.2
Selling, general and administrative	—	—	1.2	0.8
Other-net	—	—	—	(2.6)
<b>Recovery from insurance and other litigation, net of expenses</b>				
Cost of sales	—	—	—	—
Selling, general and administrative	—	—	1.7	3.9
Other-net	\$ 0.7	\$ —	\$ (3.2)	\$ (10.8)
<b>Total special items</b>	<b>\$ 0.8</b>	<b>\$ —</b>	<b>\$ 0.5</b>	<b>\$ (8.5)</b>
<b>Special items - net of tax</b>	<b>\$ 0.5</b>	<b>\$ —</b>	<b>\$ 0.3</b>	<b>\$ (5.6)</b>
<b>Tax Special Item</b>	<b>\$ —</b>	<b>\$ (1.8)</b>	<b>\$ 0.2</b>	<b>\$ (1.8)</b>
<b>Non-GAAP Measures - Adjusted Profitability</b>				
Value-added (VA) sales	\$ 143.4	\$ 167.0	\$ 617.2	\$ 637.1
Gross margin	43.2	55.9	191.6	206.1
Gross margin % of VA	30.1 %	33.5 %	31.0 %	32.4 %
Operating profit	8.9	14.4	45.8	49.1
Operating profit % of VA	6.2 %	8.6 %	7.4 %	7.7 %
Net income	7.3	10.5	32.7	34.7
EPS - Diluted	\$ 0.36	\$ 0.51	\$ 1.60	\$ 1.67



# Glossary of Terms

1. Debt-to-capitalization =  $\text{debt} / (\text{net debt} + \text{Shareholders' equity})$
2. EV / Adjusted EBITDA = Enterprise Value/EBITDA =  $(\text{Market Cap} + \text{Debt}) / \text{EBITDA}$
3. Total Capitalization = Net debt + Shareholders' equity
4. Working Capital % of net sales =  $(\text{A/R} + \text{Inv} - \text{A/P}) / \text{Total Sales}$



## **MATERION BUSINESSES**

Advanced Chemicals  
Barr Precision Optics & Thin Film Coatings  
Brush Beryllium & Composites  
Brush Performance Alloys  
Ceramics  
Electrofusion  
Large Area Coatings  
Microelectronics & Services  
Natural Resources  
Technical Materials

[www.materion.com](http://www.materion.com)



