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

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 3, 2026

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-15885

MATERION CORPORATION

(Exact name of Registrant as specified in charter)

Ohio	**34-1919973**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

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

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	MTRN	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐

Non-accelerated filer ☐ Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑
Number of Shares of Common Stock, without par value, outstanding at July 3, 2026: 20,833,725.

PART 1 - FINANCIAL INFORMATION

Item 1. Financial Statements

Materion Corporation and Subsidiaries
Consolidated Statements of Income
(Unaudited)

(Thousands, except per share amounts)	Second Quarter Ended July 3, 2026	Second Quarter Ended June 27, 2025	Six Months Ended July 3, 2026	Six Months Ended June 27, 2025
Net sales	**$ 613,906**	$ 431,658	**$ 1,163,730**	$ 851,988
Cost of sales	**509,564**	349,000	**977,553**	693,151
Gross margin	**104,342**	82,658	**186,177**	158,837
Selling, general, and administrative expense	**42,321**	35,039	**78,521**	70,484
Research and development expense	**6,562**	6,413	**12,719**	12,918
Restructuring expense	**324**	479	**2,619**	2,517
Other—net	**3,424**	3,908	**12,432**	8,904
Operating profit	**51,711**	36,819	**79,886**	64,014
Other non-operating income—net	**(317)**	(567)	**(627)**	(1,233)
Interest expense—net	**7,526**	8,230	**15,104**	15,147
Income before income taxes	**44,502**	29,156	**65,409**	50,100
Income tax expense	**5,744**	4,016	**7,277**	7,262
Net income	**$ 38,758**	$ 25,140	**$ 58,132**	$ 42,838
Basic earnings per share:				
Net income per share of common stock	**$ 1.86**	$ 1.21	**$ 2.80**	$ 2.06
Diluted earnings per share:				
Net income per share of common stock	**$ 1.84**	$ 1.21	**$ 2.76**	$ 2.05
Weighted-average number of shares of common stock outstanding:				
Basic	**20,821**	20,779	**20,791**	20,779
Diluted	**21,075**	20,833	**21,048**	20,874

See notes to these consolidated financial statements.

Materion Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
(Unaudited)

	Second Quarter Ended		Six Months Ended	
(Thousands)	**July 3, 2026**	June 27, 2025	**July 3, 2026**	June 27, 2025
Net income	**$ 38,758**	$ 25,140	**$ 58,132**	$ 42,838
Other comprehensive income (loss):				
Foreign currency translation adjustment	**(1,017)**	6,583	**(2,382)**	10,211
Derivative and hedging activity, net of tax	**(34)**	(623)	**(112)**	(1,979)
Pension and post-employment benefit adjustment, net of tax	**73**	(21)	**227**	1,054
Other comprehensive income (loss)	**(978)**	5,939	**(2,267)**	9,286
Comprehensive income	**$ 37,780**	$ 31,079	**$ 55,865**	$ 52,124

See notes to these consolidated financial statements.

Materion Corporation and Subsidiaries
Consolidated Balance Sheets
(Unaudited)

(Thousands)	**July 3, 2026**	Dec. 31, 2025
Assets		
Current assets		
Cash and cash equivalents	**$ 19,987**	$ 13,681
Accounts receivable, net	**260,779**	222,916
Inventories, net	**487,444**	461,231
Prepaid and other current assets	**101,746**	91,692
Total current assets	**869,956**	789,520
Deferred income taxes	**8,816**	7,727
Property, plant, and equipment	**1,408,924**	1,376,703
Less allowances for depreciation, depletion, and amortization	**(877,237)**	(841,245)
Property, plant, and equipment, net	**531,687**	535,458
Operating lease, right-of-use assets	**56,974**	62,036
Intangible assets, net	**99,893**	105,874
Other assets	**23,185**	21,529
Goodwill	**280,186**	280,657
Total Assets	**$ 1,870,697**	$ 1,802,801
Liabilities and Shareholders' Equity		
Current liabilities		
Short-term debt	**$ 17,478**	$ 22,445
Accounts payable	**192,292**	148,642
Salaries and wages	**24,074**	19,312
Other liabilities and accrued items	**46,328**	45,445
Income taxes	**3,349**	5,054
Unearned revenue	**12,271**	12,685
Total current liabilities	**295,792**	253,583
Other long-term liabilities	**13,286**	12,556
Operating lease liabilities	**58,170**	60,568
Finance lease liabilities	**12,671**	13,384
Retirement and post-employment benefits	**23,155**	23,931
Unearned income	**46,454**	55,862
Long-term income taxes	**901**	532
Deferred income taxes	**2,191**	2,760
Long-term debt	**423,210**	436,348
Shareholders' equity		
Serial preferred stock (no par value; 5,000 authorized shares, none issued)	**—**	—
Common stock (no par value; 60,000 authorized shares, issued shares of 27,148 at both July 3rd and December 31st)	**380,134**	351,901
Retained earnings	**964,469**	912,361
Common stock in treasury	**(302,376)**	(277,473)
Accumulated other comprehensive loss	**(52,848)**	(50,581)
Other equity	**5,488**	7,069
Total shareholders' equity	**994,867**	943,277
Total Liabilities and Shareholders' Equity	**$ 1,870,697**	$ 1,802,801

See the notes to these consolidated financial statements.

Materion Corporation and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)

(Thousands)	**Six Months Ended** **July 3, 2026**	June 27, 2025
Cash flows from operating activities:		
Net income	**$ 58,132**	$ 42,838
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion, and amortization	**37,614**	34,047
Amortization of deferred financing costs in interest expense	**478**	1,412
Stock-based compensation expense (non-cash)	**8,635**	5,437
Deferred income tax (benefit)	**(1,618)**	(25)
Changes in assets and liabilities:		
Accounts receivable	**(39,130)**	(949)
Inventory	**(21,938)**	94
Prepaid and other current assets	**(11,861)**	(3,029)
Accounts payable and accrued expenses	**45,579**	4,193
Unearned revenue	**(7,098)**	(8,525)
Interest and taxes payable	**(591)**	(1,230)
Other-net	**2,304**	(8,821)
Net cash provided by operating activities	**70,506**	65,442
Cash flows from investing activities:		
Payments for purchase of property, plant, and equipment	**(29,818)**	(25,003)
Payments for mine development	**(1,661)**	(10,175)
Proceeds from sale of property, plant, and equipment	**—**	266
Net cash used in investing activities	**(31,479)**	(34,912)
Cash flows from financing activities:		
Repayments of borrowings under credit facilities, net	**(14,962)**	(2,219)
Repayment of debt	**(3,033)**	(15,111)
Principal payments under finance lease obligations	**(306)**	(306)
Cash dividends paid	**(5,926)**	(5,705)
Deferred financing costs	**—**	(2,856)
Repurchase of common stock	**—**	(7,843)
Payments of withholding taxes for stock-based compensation awards	**(7,888)**	(2,337)
Net cash used in financing activities	**(32,115)**	(36,377)
Effects of exchange rate changes	**(606)**	1,725
Net change in cash and cash equivalents	**6,306**	(4,122)
Cash and cash equivalents at beginning of period	**13,681**	16,713
Cash and cash equivalents at end of period	**$ 19,987**	$ 12,591

See notes to these consolidated financial statements.

Materion Corporation and Subsidiaries
Consolidated Statements of Shareholders' Equity
(Unaudited)

	Common Shares		Shareholders' Equity					
(Thousands, except per share amounts)	**Common Shares**	**Common Shares Held in Treasury**	**Common Stock**	**Retained Earnings**	**Common Stock in Treasury**	**Accumulated Other Comprehensive Loss**	**Other Equity**	**Total**
Balance at April 3, 2026	20,801	6,347	$ 368,264	$ 928,796	$ (295,362)	$ (51,870)	$ 7,135	$ 956,963
Net income	—	—	—	38,758	—	—	—	38,758
Other comprehensive income	—	—	—	—	—	(978)	—	(978)
Cash dividends declared ($0.145 per share)	—	—	—	(3,021)	—	—	—	(3,021)
Stock-based compensation activity	42	(42)	11,830	(64)	(6,549)	—	—	5,217
Payments of withholding taxes for stock-based compensation awards	(10)	10	—	—	(2,116)	—	—	(2,116)
Directors' deferred compensation	1	(1)	40	—	1,651	—	(1,647)	44
Balance at July 3, 2026	20,834	6,314	$ 380,134	$ 964,469	$ (302,376)	$ (52,848)	$ 5,488	$ 994,867
Balance at March 28, 2025	20,814	6,334	$ 342,759	$ 864,002	$ (267,756)	$ (57,699)	$ 6,623	$ 887,929
Net income	—	—	—	25,140	—	—	—	25,140
Other comprehensive income	—	—	—	—	—	5,939	—	5,939
Cash dividends declared ($0.140 per share)	—	—	—	(2,902)	—	—	—	(2,902)
Stock-based compensation activity	14	(14)	2,887	7	(443)	—	—	2,451
Repurchase of common stock	(100)	100	—	—	(7,843)	—	—	(7,843)
Payments of withholding taxes for stock-based compensation awards	(2)	2	—	—	(113)	—	—	(113)
Directors' deferred compensation	1	(1)	20	—	(292)	—	316	44
Balance at June 27, 2025	20,727	6,421	$ 345,666	$ 886,247	$ (276,447)	$ (51,760)	$ 6,939	$ 910,645

	Common Shares		Shareholders' Equity					
(Thousands, except per share amounts)	Common Shares	Common Shares Held in Treasury	Common Stock	Retained Earnings	Common Stock in Treasury	Accumulated Other Comprehensive Loss	Other Equity	Total
Balance at December 31, 2025	20,735	6,413	$ 351,901	$ 912,361	$ (277,473)	$ (50,581)	$ 7,069	$ 943,277
Net income	—	—	—	58,132	—		—	58,132
Other comprehensive loss	—	—	—	—	—	(2,267)	—	(2,267)
Cash dividends declared ($0.285 per share)	—	—	—	(5,926)	—	—	—	(5,926)
Stock-based compensation activity	144	(144)	28,162	(98)	(18,615)	—	—	9,449
Payments of withholding taxes for stock-based compensation awards	(46)	46	—	—	(7,888)	—	—	(7,888)
Directors' deferred compensation	1	(1)	71	—	1,600	—	(1,581)	90
Balance at July 3, 2026	20,834	6,314	$ 380,134	$ 964,469	$ (302,376)	$ (52,848)	$ 5,488	$ 994,867
Balance at December 31, 2024	20,764	6,384	$ 336,136	$ 849,111	$ (261,880)	$ (61,046)	$ 6,560	$ 868,881
Net income	—	—	—	42,838	—		—	42,838
Other comprehensive loss	—	—	—	—	—	9,286	—	9,286
Cash dividends declared ($0.275 per share)	—	—	—	(5,705)	—	—	—	(5,705)
Stock-based compensation activity	89	(89)	9,484	3	(4,050)	—	—	5,437
Repurchase of common stock	(100)	100	—	—	(7,843)	—	—	(7,843)
Payments of withholding taxes for stock-based compensation awards	(27)	27	—	—	(2,337)	—	—	(2,337)
Directors' deferred compensation	1	(1)	46	—	(337)	—	379	88
Balance at June 27, 2025	20,727	6,421	$ 345,666	$ 886,247	$ (276,447)	$ (51,760)	$ 6,939	$ 910,645

See notes to these consolidated financial statements.

Note A — Accounting Policies

Basis of Presentation:

The accompanying consolidated financial statements of Materion Corporation and its subsidiaries (referred to herein as the Company, our, we, or us) contain all of the adjustments necessary to present fairly the financial position, results of operations, and cash flows for the interim periods reported. All adjustments were of a normal and recurring nature.

These consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the Company's 2025 Annual Report on Form 10-K. The interim period results are not necessarily indicative of the results to be expected for the full year.

New Accounting Guidance Issued and Not Yet Adopted:

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses," which is intended to improve disclosures about a public business entity's expenses and address requests from investors for more detailed information about the types of expenses in commonly presented expense captions. Such information should allow investors to better understand an entity's performance, assess future cash flows, and compare performance over time and with other entities. The amendments will require public business entities to disclose in the notes to the financial statements, at each interim and annual reporting period, specific information about certain costs and expenses, including purchases of inventory, employee compensation, depreciation, and intangible asset amortization included in each expense caption presented on the face of the income statement, and the total amount of an entity's selling expenses. The amendments are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, and may be applied either prospectively or retrospectively. Early adoption is permitted. While the adoption of ASU 2024-03 will result in enhanced disclosures, the Company does not expect it will have a material impact on its financial condition or results of operations.

In September 2025, the FASB issued ASU 2025-06, *Intangibles-Goodwill and Other-internal-use software (Subtopic 350-40): Targeted Improvements to the Accounting for internal-use software*. The amendments in this ASU make targeted improvements to Subtopic 350-40, *Intangibles-Goodwill and Other-internal-use software,* to increase the operability of the recognition guidance considering different methods of software development. This ASU is effective for fiscal years beginning after December 15, 2027, and interim periods within those annual reporting periods, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this ASU will have on its condensed consolidated financial statements and related disclosures.

In December 2025, the FASB issued 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities*. This ASU establishes comprehensive U.S. GAAP guidance for the recognition, measurement, and presentation of government grants received by business entities. The amendments incorporate principles similar to those in International Accounting Standards (IAS) 20 and are intended to reduce diversity in practice by providing a consistent framework for accounting for monetary and tangible nonmonetary government grants. This ASU is effective for fiscal years beginning after December 15, 2028, and interim periods within those annual reporting periods, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this ASU will have on its condensed consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-scope improvements.* The amendments clarify the scope, form, and content of interim financial statement disclosures and improve the navigability of Topic 270 without changing existing interim reporting requirements. This ASU is effective for fiscal years beginning after December 15, 2027, and interim periods within those annual reporting periods, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this ASU will have on its interim financial reporting and related disclosures.

Note B — Acquisition

On July 9, 2025, the Company completed the acquisition of certain manufacturing assets for tantalum solutions in Dangjin City, South Korea, from Konasol Co., Ltd., a Korean manufacturer serving the semiconductor and adjacent markets. This strategic investment expands the Company’s global footprint with a facility in Asia to better serve semiconductor customers in that region.

The total purchase price was approximately $19.5 million, which was paid in cash on the date of acquisition. The acquisition and related fees and expenses were funded through available cash and borrowings under the Company's revolving credit facility. Acquisition-related transaction and integration costs totaled $1.8 million in 2025 with no material costs incurred in 2026. These costs are included in selling, general, and administrative expenses in the Consolidated Statements of Income.

The Company accounted for the transaction as a business combination using the acquisition method of accounting and a third-party valuation appraisal, and included the results of operations of the acquisition in its consolidated financial statements from the effective date of the acquisition. The operating results are included within the Company's Electronic Materials segment. Pro forma financial information has not been presented, as revenue and expenses related to the acquisition do not have a material impact on the Company’s consolidated financial statements.

The total purchase price was allocated to identifiable assets and liabilities based upon the preliminary estimates of fair value at the date of the acquisition, which primarily included property, plant and equipment, and a developed technology intangible asset of $2.1 million. To the extent the purchase price exceeds the fair value of the net identifiable tangible and intangible assets acquired, such excess was allocated to goodwill and approximated $14.9 million. The goodwill is deductible for Korean tax purposes. The fair value of the acquired intangible asset is determined based on an income approach, using estimates and assumptions that are deemed reasonable by the Company. These assumptions are subject to revision as additional information is obtained about the facts and circumstances that existed as of the acquisition date, primarily related to intangible assets, which may result in adjustments to the preliminary values discussed above as valuations are finalized. No material provisional adjustments to the acquisition accounting have been recorded during 2026. We expect to finalize these amounts as soon as possible, but no later than the end of the third quarter of 2026.

Note C — Segment Reporting

The Company has the following reportable segments: Performance Materials, Electronic Materials, Precision Optics, and Other. The Company’s reportable segments represent components of the Company for which separate financial information is available that is utilized on a regular basis by the Chief Executive Officer, the Company's chief operating decision maker, in determining how to allocate the Company’s resources and evaluate performance.

Performance Materials provides advanced engineered solutions comprised of beryllium and non-beryllium containing alloy systems and custom engineered parts in strip, bulk, rod, plate, bar, tube, and other customized shapes.

Electronic Materials produces advanced chemicals, microelectric packaging, precious metal, non-precious metal, and specialty metal products, including vapor deposition targets, frame lid assemblies, clad and precious metal preforms and high temperature braze materials.

Precision Optics produces thin film coatings, optical filter materials, sputter-coated, and precision-converted thin film materials.

The Other reportable segment includes unallocated corporate costs and assets.

The primary measurement used by management to measure the financial performance of each segment is earnings before interest, taxes, depreciation and amortization (EBITDA). The below table presents financial information for each segment and a reconciliation of EBITDA to Net Income (the most directly comparable GAAP financial measure) for the second quarter and first six months of 2026 and 2025:

	Second quarter ended July 3, 2026				
	Performance Materials	**Electronic Materials**	**Precision Optics**	**Other**	**Consolidated**
Net sales (1)	**$ 207,949**	**$ 375,181**	**$ 30,776**	$ —	**$ 613,906**
Less:					
Cost of sales	156,381	334,403	18,773	7	509,564
Selling, general and administrative expense	14,877	10,723	4,988	11,733	42,321
Other segment items (2)	260	6,867	2,609	257	9,993
Plus:					
Segment depreciation, depletion and amortization	11,871	4,644	2,198	475	19,188
Segment EBITDA	**$ 48,302**	**$ 27,832**	**$ 6,604**	**$ (11,522)**	**$ 71,216**
Income tax expense					5,744
Interest expense - net					7,526
Depreciation, depletion and amortization					19,188
Net Income					**$ 38,758**

	Second quarter ended June 27, 2025				
	Performance Materials	**Electronic Materials**	**Precision Optics**	**Other**	**Consolidated**
Net sales (1)	**$ 182,778**	**$ 224,427**	**$ 24,453**	$ —	**$ 431,658**
Less:					
Cost of sales	133,770	197,166	17,995	69	349,000
Selling, general and administrative expense	14,242	9,125	4,316	7,356	35,039
Other segment items (2)	3,864	4,796	2,603	(1,030)	10,233
Plus:					
Segment depreciation, depletion and amortization	10,192	4,261	2,560	496	17,509
Segment EBITDA	**$ 41,094**	**$ 17,601**	**$ 2,099**	**$ (5,899)**	**$ 54,895**
Income tax expense					4,016
Interest expense - net					8,230
Depreciation, depletion and amortization					17,509
Net Income					**$ 25,140**

	First six months ended July 3, 2026				
	Performance Materials	**Electronic Materials**	**Precision Optics**	**Other**	**Consolidated**
Net sales (1)	**$ 363,614**	**$ 738,545**	**$ 61,571**	**$ —**	**$ 1,163,730**
Less:					
Cost of sales	280,989	657,970	38,588	6	977,553
Selling, general and administrative expense	28,942	20,893	10,197	18,489	78,521
Other segment items (2)	4,468	15,598	5,992	1,085	27,143
Plus:					
Segment depreciation, depletion and amortization	22,888	9,278	4,483	965	37,614
Segment EBITDA	**$ 72,103**	**$ 53,362**	**$ 11,277**	**$ (18,615)**	**$ 118,127**
Income tax expense					7,277
Interest expense - net					15,104
Depreciation, depletion and amortization					37,614
Net Income					**$ 58,132**

	First six months ended June 27, 2025				
	Performance Materials	**Electronic Materials**	**Precision Optics**	**Other**	**Consolidated**
Net sales (1)	**$ 356,765**	**$ 449,222**	**$ 46,001**	**$ —**	**$ 851,988**
Less:					
Cost of sales	259,526	398,223	35,319	83	693,151
Selling, general and administrative expense	28,223	19,744	8,702	13,815	70,484
Other segment items (2)	6,871	11,104	6,278	(1,147)	23,106
Plus:					
Segment depreciation, depletion and amortization	19,622	8,528	4,915	982	34,047
Segment EBITDA	**$ 81,767**	**$ 28,679**	**$ 617**	**$ (11,769)**	**$ 99,294**
Income tax expense					7,262
Interest expense - net					15,147
Depreciation, depletion and amortization					34,047
Net Income					**$ 42,838**

(1) Excludes inter-segment sales of $2.1 million and $2.0 million for the second quarter of 2026 and 2025, respectively, and $4.8 million and $4.6 million for the first six months of 2026 and 2025, respectively, for Electronic Materials. Inter-segment sales are eliminated in consolidation.

(2) Other segment items for each reportable segment include:
- Research and development expense
- Restructuring expense
- Other operating expense - primarily comprised of metal consignment fees, intangible amortization and foreign currency (gains)/losses as further detailed in Note E
- Non-operating expenses primarily related to pension costs

The following table disaggregates revenue for each segment by end market for the second quarter and first six months of 2026 and 2025:

(Thousands)	Performance Materials	Electronic Materials	Precision Optics	Other	Total
Second Quarter 2026					
End Market					
Semiconductor	**$ 3,891**	**$ 298,807**	**$ 2,430**	**$ —**	**$ 305,128**
Industrial	**33,966**	**14,448**	**7,866**	**—**	**56,280**
Aerospace and defense	**61,518**	**3,431**	**9,722**	**—**	**74,671**
Consumer electronics	**46,452**	**10,462**	**3,246**	**—**	**60,160**
Automotive	**18,282**	**254**	**1,979**	**—**	**20,515**
Energy	**15,582**	**37,214**	**—**	**—**	**52,796**
Life sciences	**1,856**	**5,835**	**5,533**	**—**	**13,224**
Other	**26,402**	**4,730**	**—**	**—**	**31,132**
Total	**$ 207,949**	**$ 375,181**	**$ 30,776**	**$ —**	**$ 613,906**
Second Quarter 2025					
End Market					
Semiconductor	$ 1,758	$ 189,494	$ 795	$ —	$ 192,047
Industrial	31,007	9,003	5,748	—	45,758
Aerospace and defense	43,965	2,079	7,273	—	53,317
Consumer electronics	56,672	158	3,223	—	60,053
Automotive	16,835	1,816	1,811	—	20,462
Energy	12,520	13,153	—	—	25,673
Life sciences	2,283	6,514	5,254	—	14,051
Other	17,738	2,210	349	—	20,297
Total	$ 182,778	$ 224,427	$ 24,453	$ —	$ 431,658

(Thousands)	Performance Materials	Electronic Materials	Precision Optics	Other	Total
First Six Months 2026					
End Market					
Semiconductor	**$ 6,197**	**$ 613,064**	**$ 4,228**	**$ —**	**$ 623,489**
Industrial	**67,165**	**25,428**	**15,544**	**—**	**108,137**
Aerospace and defense	**105,070**	**8,856**	**19,755**	**—**	**133,681**
Consumer electronics	**69,707**	**14,101**	**7,323**	**—**	**91,131**
Automotive	**35,328**	**494**	**3,922**	**—**	**39,744**
Energy	**28,899**	**70,550**	**—**	**—**	**99,449**
Life sciences	**3,715**	**(2,761)**	**10,739**	**—**	**11,693**
Other	**47,533**	**8,813**	**60**	**—**	**56,406**
Total	**$ 363,614**	**$ 738,545**	**$ 61,571**	**$ —**	**$ 1,163,730**
First Six Months 2025					
End Market					
Semiconductor	$ 5,385	$ 373,243	$ 1,570	$ —	$ 380,198
Industrial	62,283	18,759	12,022	—	93,064
Aerospace and defense	86,056	3,780	13,514	—	103,350
Consumer electronics	101,707	1,266	6,316	—	109,289
Automotive	33,037	2,542	3,146	—	38,725
Energy	28,940	33,383	—	—	62,323
Life sciences	4,858	12,389	8,945	—	26,192
Other	34,499	3,860	488	—	38,847
Total	$ 356,765	$ 449,222	$ 46,001	$ —	$ 851,988

Note D — Revenue Recognition

Net sales consist primarily of revenue from the sale of precious and non-precious specialty metals, beryllium and copper-based alloys, beryllium composites, and other products into numerous end markets. The Company requires an agreement with a customer that creates enforceable rights and performance obligations. The Company generally recognizes revenue in an amount that reflects the consideration to which it expects to be entitled upon satisfaction of a performance obligation by transferring control over a product to the customer. Control over a product is generally transferred to the customer when the Company has a present right to payment, the customer has legal title, the customer has physical possession, the customer has the significant risks and rewards of ownership, and/or the customer has accepted the product.

Transaction Price Allocated to Future Performance Obligations: Accounting Standards Codification 606, *Revenue from Contracts with Customers,* requires that the Company disclose the aggregate amount of transaction price that is allocated to performance obligations that have not yet been satisfied at July 3, 2026. Remaining performance obligations include non-cancelable purchase orders and customer contracts. The guidance provides certain practical expedients that limit this requirement. As such, the Company does not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less.

After considering the practical expedient at July 3, 2026 and December 31, 2025, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately $116.4 million and $21.9 million, respectively.

Contract Balances: The timing of revenue recognition, billings, and cash collections resulted in the following contract assets and contract liabilities:

(Thousands)	**July 3, 2026**	December 31, 2025	$ change	% change
Accounts receivable, trade	**$ 261,405**	$ 223,763	$ 37,642	17 %
Unbilled receivables	**55,427**	46,548	8,879	19 %
Unearned revenue	**12,271**	12,685	(414)	(3)%

Accounts receivable, trade represents payments due from customers relating to the transfer of the Company's products and services. The Company believes that its receivables are collectible and appropriate allowances for doubtful accounts have been recorded. Impairment losses (bad debt) incurred related to our receivables were immaterial during the second quarter and first six months of 2026.

During 2024, the Company entered into a factoring agreement to sell certain receivables to a third-party financial institution. The transfer of the receivables constitute purchases and sales of receivables resulting in a reduction of trade receivables on the consolidated balance sheets and the proceeds are included in the cash flows from operating activities in the consolidated statements of cash flows. The Company did not sell any receivables in the second quarter of 2026. The company sold a total of $8.1 million of receivables resulting in a loss on sale of $0.1 million for the first six months of 2026. The Company sold a total of $59.4 million of receivables in 2025. The Company did not sell any receivables in the fourth quarter of 2025. Total receivables sold under this program amount to $116.4 million

Unbilled receivables represent expenditures on contracts, plus applicable profit margin, not yet billed. Unbilled receivables are generally billed and collected within one year. Billings made on contracts are recorded as a reduction of unbilled receivables.

Unearned revenue is recorded for consideration received from customers in advance of satisfaction of the related performance obligations. The Company recognized approximately $6.9 million of the December 31, 2025 unearned amounts as revenue during the first six months of 2026.

As a practical expedient, the Company does not adjust the promised amount of consideration for the effects of a significant financing component because the period between the transfer of a product or service to a customer and when the customer pays for that product or service will be one year or less. The Company does not include extended payment terms in its contracts with customers.

Note E — Other-net

Other-net for the second quarter and first six months of 2026 and 2025 is summarized as follows:

	Second Quarter Ended		**Six Months Ended**	
(Thousands)	**July 3, 2026**	June 27, 2025	**July 3, 2026**	June 27, 2025
Amortization of intangible assets	**$ 2,600**	$ 2,806	**$ 5,205**	$ 5,695
Metal consignment fees	**4,350**	2,460	**10,430**	4,675
Foreign currency loss (gain)	**232**	(800)	**840**	(952)
Other items	**(3,758)**	(558)	**(4,043)**	(514)
Total	**$ 3,424**	$ 3,908	**$ 12,432**	$ 8,904

Note F — Restructuring

In fiscal years 2025 and 2024, we announced restructuring plans that were both designed to reduce costs and expenses in response to macroeconomic conditions and current operating performance. These actions impacted all three of our business segments as well as Corporate. The restructuring programs are expected to result in the reduction in annual cost of sales and operating expenses.

In 2026, the Company continued to implement restructuring actions across all segments. In connection with these actions, we recorded restructuring expenses of $0.3 million and $2.6 million in the three and six months ended July 3, 2026, respectively, compared to $0.5 million and $2.5 million in the three and six months ended June 27, 2025, respectively. All of these charges were associated with workforce reduction, including severance and other personnel-related costs. As of the July 3, 2026, we have substantially completed the restructuring activities expected for the fiscal year 2026.

The activity in the accrued balances incurred in relation to restructuring during the six months ended July 3, 2026 and June 27, 2025, were as follows:

	Reduction in Force				
(Thousands)	**Performance Materials**	**Electronic Materials**	**Precision Optics**	**Other**	**Consolidated**
Balance at December 31, 2025	**$ —**	**$ 83**	**$ 59**	**$ 9**	**$ 151**
Additional Charges	636	415	878	690	2,619
Cash Payments	(596)	(463)	(731)	(534)	(2,324)
Balance at July 3, 2026	**$ 40**	**$ 35**	**$ 206**	**$ 165**	**$ 446**

	Reduction in Force				
(Thousands)	**Performance Materials**	**Electronic Materials**	**Precision Optics**	**Other**	**Consolidated**
Balance at December 31, 2024	**$ 56**	**$ 293**	**$ 60**	**$ 408**	**$ 817**
Additional Charges	481	577	1,428	31	2,517
Cash Payments	(433)	(859)	(1,305)	(234)	(2,831)
Balance at June 27, 2025	**$ 104**	**$ 11**	**$ 183**	**$ 205**	**$ 503**

Note G — Income Taxes

The Company's effective tax rate for the second quarter of 2026 and 2025 was 12.9% and 13.8%, respectively, and 11.1% and 14.5% for the first six months of 2026 and 2025, respectively. The effective tax rate for 2026 is lower than the statutory tax rate primarily due to the impact of the foreign-derived deduction eligible income and percentage depletion. The effective tax rate for for 2025 was lower than the statutory tax rate primarily due to the impact of percentage depletion and the advanced manufacturing production credit. The effective tax rate for the first six months of 2026 included a $4.6 million net discrete income tax benefit, which primarily consists of $2.4 million excess tax benefits from stock-based compensation awards, a $1.1 million tax benefit from the release of a valuation allowance previously recorded against the deferred tax assets of one of the Company’s foreign subsidiaries, and a net $0.5 million tax benefit from a Liechtenstein tax review settlement as noted below. The effective tax rate for the first six months of 2025 included a net discrete income tax benefit of $0.6 million, which primarily consisted of $0.2 million of expense for stock-based compensation awards and $0.4 million expense for unrecognized tax benefits.

In the second quarter of 2026, the Company completed a tax review with the Liechtenstein tax authorities for tax years 2020 through 2023, resulting in a settlement related to an intercompany loan impairment that reduced net operating loss carryforwards by $2.5 million. Upon completion of the review, the Company released a $3.0 million uncertain tax position, which was partially offset by a related tax assessment and resulted in a $0.5 million net discrete tax benefit.

Government Tax Credits
Pursuant to The Inflation Reduction Act of 2022 (IRA), the Company is eligible for the Advanced Manufacturing Production Credit (production credit). The production credit provides an annual cash benefit for a portion of the production costs for the sale of certain critical minerals produced in the U.S. and sold during the year. The Company records the production credit as a reduction in cost of goods sold as the applicable items are produced and sold. U.S. GAAP does not address the accounting for government grants received by a business entity that are outside the scope of ASC 740. Our accounting policy is to analogize to IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*, under IFRS Accounting Standards. We recognize the benefit of the production credit by applying IAS 20 in pretax income on a systematic basis in line with its recognition of the expenses that the grant is intended to compensate.

Pillar Two

The Organization for Economic Co-operation and Development (OECD) introduced rules to establish a global minimum corporate tax rate, commonly referred to as Pillar Two. Many of the key non-U.S. jurisdictions where the Company operates have enacted Pillar Two legislation. While the U.S. has negotiated a “side-by-side” arrangement for the existing U.S. minimum taxes with the intent to exempt U.S. multinational companies from certain Pillar Two provisions, the timing and consistency of implementation across jurisdictions continue to evolve. As more countries adopt the “side-by-side” provisions in 2026, the Company’s Pillar Two tax expense will decrease accordingly. We will continue to evaluate the impact of future Pillar Two legislation on the Company’s effective tax rate.

Note H — Earnings Per Share (EPS)

The following table sets forth the computation of basic and diluted EPS:

	Second Quarter Ended		Six Months Ended	
(Thousands, except per share amounts)	**July 3, 2026**	June 27, 2025	**July 3, 2026**	June 27, 2025
Numerator for basic and diluted EPS:				
Net income	**$ 38,758**	$ 25,140	**$ 58,132**	$ 42,838
Denominator:				
Denominator for basic EPS				
Weighted-average shares outstanding	**20,821**	20,779	**20,791**	20,779
Effect of dilutive securities:				
Stock appreciation rights	**85**	26	**83**	35
Restricted stock units	**113**	19	**114**	40
Performance-based restricted stock units	**56**	9	**60**	20
Diluted potential common shares	**254**	54	**257**	95
Denominator for diluted EPS:				
Adjusted weighted-average shares outstanding	**21,075**	20,833	**21,048**	20,874
Basic EPS	**$ 1.86**	$ 1.21	**$ 2.80**	$ 2.06
Diluted EPS	**$ 1.84**	$ 1.21	**$ 2.76**	$ 2.05

Adjusted weighted-average shares outstanding - diluted exclude securities totaling 66,097 and 320,477 for the quarters ended July 3, 2026 and June 27, 2025, respectively, and securities totaling 44,903 and 146,804 for the six months ended July 3, 2026 and June 27, 2025, respectively. These securities are primarily related to restricted stock units (RSUs) and stock appreciation rights (SARs) with fair market values and exercise prices greater than the average market price of the Company's common stock and were excluded from the dilution calculation as the effect would have been anti-dilutive.

Note I — Inventories

Inventories on the Consolidated Balance Sheets are summarized as follows:

(Thousands)	July 3, 2026	December 31, 2025
Raw materials and supplies	$ 140,372	$ 108,040
Work in process	276,105	298,695
Finished goods	70,967	54,496
Inventories, net	$ 487,444	$ 461,231

The Company maintains the majority of the precious metals and portions of copper and nickel used in production on a consignment basis in order to reduce its exposure to metal price movements and to reduce its working capital investment. The notional value of off-balance sheet precious metals, copper and nickel was $505.6 million and $526.2 million as of July 3, 2026 and December 31, 2025, respectively.

Note J — Customer Prepayments

In 2020, the Company entered into an investment agreement and a master supply agreement with a customer to procure equipment to manufacture product for the customer. The customer provided prepayments to the Company to fund the necessary infrastructure improvements and procure the equipment necessary to supply the customer with the desired product. The Company owns, operates and maintains the equipment that is being used to manufacture product for the customer.

Revenue will be recognized as the Company fulfills purchase orders and ships the commercial product to the customer, as product delivery is considered the satisfaction of the performance obligation.

Additionally, during the second quarter of 2022, the Company entered into an amendment to the investment agreement with the same customer to procure additional equipment to manufacture product for the customer. In 2023, the Company received the remaining prepayments related to this amendment, the total of which approximated $38.6 million.

As of July 3, 2026 and December 31, 2025, $41.1 million and $47.5 million, respectively, of prepayments are classified as Unearned income on the Consolidated Balance Sheets. The prepayments will remain in Unearned income until commercial purchase orders are received for product serviced out of the equipment, at which time a portion of the purchase order value related to prepayments will be reclassified to Unearned revenue. As of July 3, 2026 and December 31, 2025, $1.8 million and $2.4 million of the prepayments are classified as Unearned revenue.

Note K — Pensions and Other Post-employment Benefits

The following is a summary of the net periodic benefit (income)/cost for the second quarter and first six months ended July 3, 2026 and June 27, 2025, respectively, for the pension plans as shown below. The Pension Benefits column aggregates defined benefit pension plans in the U.S., Germany, Liechtenstein, England, and the U.S. supplemental retirement plans. The Other Benefits column includes the domestic retiree medical and life insurance plan.

	Pension Benefits		Other Benefits	
	Second Quarter Ended		Second Quarter Ended	
(Thousands)	July 3, 2026	June 27, 2025	July 3, 2026	June 27, 2025
Components of net periodic benefit (income) cost				
Service cost	**$ 288**	$ 308	**$ —**	$ 11
Interest cost	**1,838**	1,927	**31**	58
Expected return on plan assets	**(2,369)**	(2,532)	**—**	—
Amortization of prior service (benefit) cost	**(22)**	(23)	**—**	—
Amortization of net loss (gain)	**259**	90	**(104)**	(88)
Net periodic benefit (income) cost	**$ (6)**	$ (230)	**$ (73)**	$ (19)

	Pension Benefits		Other Benefits	
	Six Months Ended		Six Months Ended	
(Thousands)	July 3, 2026	June 27, 2025	July 3, 2026	June 27, 2025
Components of net periodic benefit (income) cost				
Service cost	**$ 580**	$ 594	**$ —**	$ 22
Interest cost	**3,679**	3,837	**62**	116
Expected return on plan assets	**(4,743)**	(5,036)	**—**	—
Amortization of prior service (benefit) cost	**(44)**	(44)	**—**	—
Amortization of net loss (gain)	**517**	179	**(208)**	(175)
Net periodic benefit (income) cost	**$ (11)**	$ (470)	**$ (146)**	$ (37)

The Company did not make any contributions to its domestic defined benefit plan in the second quarter or first six months of 2026 or 2025.

The Company reports the service cost component of net periodic benefit cost in the same line item as other compensation costs in operating expenses and the non-service cost components of net periodic benefit cost in Other non-operating (income) expense.

Note L — Accumulated Other Comprehensive Income (Loss)

Changes in the components of accumulated other comprehensive income, including the amounts reclassified, for the second quarter and first six months of 2026 and 2025 are as follows:

	Gains and Losses on Cash Flow Hedges						
(Thousands)	**Foreign Currency**	**Interest Rate**	**Precious Metals**	**Total**	**Pension and Post-Employment Benefits**	**Foreign Currency Translation**	**Total**
Balance at April 3, 2026	$ 1,413	$ 814	$ 2	$ 2,229	$ (52,287)	$ (1,812)	$ (51,870)
Other comprehensive income (loss) before reclassifications	(208)	406	—	198	—	(1,017)	(819)
Amounts reclassified from accumulated other comprehensive income (loss)	206	(448)	—	(242)	114	—	(128)
Net current period other comprehensive (loss) income before tax	(2)	(42)	—	(44)	114	(1,017)	(947)
Deferred taxes	—	(10)	—	(10)	41	—	31
Net current period other comprehensive (loss) income after tax	(2)	(32)	—	(34)	73	(1,017)	(978)
Balance at July 3, 2026	$ 1,411	$ 782	$ 2	$ 2,195	$ (52,214)	$ (2,829)	$ (52,848)
Balance at March 28, 2025	$ 1,397	$ 2,430	$ 2	$ 3,829	$ (53,627)	$ (7,901)	$ (57,699)
Other comprehensive (loss) income before reclassifications	(45)	91	—	46	—	6,583	6,629
Amounts reclassified from accumulated other comprehensive income (loss)	(60)	(794)	—	(854)	(23)	—	(877)
Net current period other comprehensive (loss) income before tax	(105)	(703)	—	(808)	(23)	6,583	5,752
Deferred taxes	(24)	(161)	—	(185)	(2)	—	(187)
Net current period other comprehensive (loss) income after tax	(81)	(542)	—	(623)	(21)	6,583	5,939
Balance at June 27, 2025	$ 1,316	$ 1,888	$ 2	$ 3,206	$ (53,648)	$ (1,318)	$ (51,760)

(Thousands)	Gains and Losses on Cash Flow Hedges: Foreign Currency	Interest Rate	Precious Metals	Total	Pension and Post-Employment Benefits	Foreign Currency Translation	Total
Balance at December 31, 2025	$ 1,406	$ 899	$ 2	$ 2,307	$ (52,441)	$ (447)	$ (50,581)
Other comprehensive income (loss) before reclassifications	(201)	780	—	579	—	(2,382)	(1,803)
Amounts reclassified from accumulated other comprehensive income (loss)	208	(932)	—	(724)	309	—	(415)
Net current period other comprehensive (loss) income before tax	7	(152)	—	(145)	309	(2,382)	(2,218)
Deferred taxes	2	(35)	—	(33)	82	—	49
Net current period other comprehensive (loss) income after tax	5	(117)	—	(112)	227	(2,382)	(2,267)
Balance at July 3, 2026	$ 1,411	$ 782	$ 2	$ 2,195	$ (52,214)	$ (2,829)	$ (52,848)
Balance at December 31, 2024	$ 1,638	$ 3,545	$ 2	$ 5,185	$ (54,702)	$ (11,529)	$ (61,046)
Other comprehensive (loss) income before reclassifications	(324)	(595)	—	(919)	1,553	10,211	10,845
Amounts reclassified from accumulated other comprehensive income (loss)	(94)	(1,557)	—	(1,651)	(126)	—	(1,777)
Net current period other comprehensive (loss) income before tax	(418)	(2,152)	—	(2,570)	1,427	10,211	9,068
Deferred taxes	(96)	(495)	—	(591)	373	—	(218)
Net current period other comprehensive (loss) income after tax	(322)	(1,657)	—	(1,979)	1,054	10,211	9,286
Balance at June 27, 2025	$ 1,316	$ 1,888	$ 2	$ 3,206	$ (53,648)	$ (1,318)	$ (51,760)

Reclassifications from accumulated other comprehensive income (loss) of gains and losses on foreign currency cash flow hedges are recorded in Net sales in the Consolidated Statements of Income. Reclassifications from accumulated other comprehensive income (loss) of gains and losses on precious metal and copper cash flow hedges are recorded in Cost of sales in the Consolidated Statements of Income. Reclassifications from accumulated other comprehensive income (loss) of gains and losses on the interest rate cash flow hedge is recorded in Interest expense in the Consolidated Statements of Income. Refer to Note O for additional details on cash flow hedges.

Reclassifications from accumulated other comprehensive income (loss) for pension and post-employment benefits are included in the computation of the net periodic pension and post-employment benefit expense. Refer to Note K for additional details on pension and post-employment expenses.

Note M — Stock-based Compensation Expense

Stock-based compensation expense, which includes awards settled in shares was $5.2 million and $8.6 million in the second quarter and first six months of 2026, respectively, compared to $2.6 million and $5.6 million, respectively, in the same periods of 2025.

The Company granted 47,436 SARs to certain employees during the first six months of 2026. The weighted-average exercise price per share and weighted-average fair value per share of the SARs granted during the six months ended July 3, 2026 were $166.59 and $56.70, respectively. The Company estimated the fair value of the SARs using the following weighted-average assumptions in the Black-Scholes model:

Risk-free interest rate	3.62 %
Dividend yield	0.34 %
Volatility	34.0 %
Expected term (in years)	4.8

The Company granted 93,035 stock-settled RSUs to certain employees during the first six months of 2026. The Company measures the fair value of stock-settled RSUs based on the closing market price of a share of Materion common stock on the date of the grant. The weighted-average fair value per share was $161.67 for stock-settled RSUs granted to employees during the six months ended July 3, 2026. RSUs are generally expensed over the vesting period of three years for employees.

The Company granted stock-settled performance-based restricted stock units (PRSUs) to certain employees in the first six months of 2026. The weighted-average fair value of the stock-settled PRSUs was $206.28 per share and will be expensed over the vesting period of three years. The final payout to the employees for all PRSUs will be based upon the Company’s return on invested capital and its total return to shareholders over the vesting period relative to a peer group’s performance over the same period.

At July 3, 2026, unrecognized compensation cost related to the unvested portion of all stock-based awards was approximately $32.8 million, and is expected to be recognized over the remaining vesting period of the respective grants.

Note N — Fair Value of Financial Instruments

The Company measures and records financial instruments at fair value. A hierarchy is used for those instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the Company’s assumptions (unobservable inputs). The hierarchy consists of three levels:

Level 1 — Quoted market prices in active markets for identical assets and liabilities;

Level 2 — Inputs other than Level 1 inputs that are either directly or indirectly observable; and

Level 3 — Unobservable inputs developed using estimates and assumptions developed by the Company, which reflect those that a market participant would use.

The following table summarizes the financial instruments measured at fair value in the Consolidated Balance Sheets as of July 3, 2026 and December 31, 2025:

(Thousands)	Total Carrying Value in the Consolidated Balance Sheets 2026	Total Carrying Value in the Consolidated Balance Sheets 2025	Quoted Prices in Active Markets for Identical Assets (Level 1) 2026	Quoted Prices in Active Markets for Identical Assets (Level 1) 2025	Significant Other Observable Inputs (Level 2) 2026	Significant Other Observable Inputs (Level 2) 2025	Significant Unobservable Inputs (Level 3) 2026	Significant Unobservable Inputs (Level 3) 2025
Financial Assets								
Deferred compensation investments	**$ 7,904**	$ 7,175	**$ 7,904**	$ 7,175	**$ —**	$ —	**$ —**	$ —
Foreign currency forward contracts	**1,575**	80	**—**	—	**1,575**	80	**—**	—
Interest rate swaps	**1,085**	1,491	**—**	—	**1,085**	1,491	**—**	—
Precious metal swaps	**—**	—	**—**	—	**—**	—	**—**	—
Total	**$ 10,564**	$ 8,746	**$ 7,904**	$ 7,175	**$ 2,660**	$ 1,571	**$ —**	$ —
Financial Liabilities								
Deferred compensation liability	**$ 7,904**	$ 7,175	**$ 7,904**	$ 7,175	**$ —**	$ —	**$ —**	$ —
Foreign currency forward contracts	**277**	490	**—**	—	**277**	490	**—**	—
Interest rate swaps	**72**	325	**—**	—	**72**	325	**—**	—
Precious metal swaps	**—**	—	—	—	**—**	—	—	—
Total	**$ 8,253**	$ 7,990	**$ 7,904**	$ 7,175	**$ 349**	$ 815	**$ —**	$ —

The Company uses a market approach to value the assets and liabilities for financial instruments in the table above. Outstanding contracts are valued through models that utilize market observable inputs, including both spot and forward prices, for the same underlying currencies, metals, and interest rates. The carrying values of the other working capital items and debt in the Consolidated Balance Sheets approximate fair values as of July 3, 2026 and December 31, 2025. The Company's deferred compensation investments and liabilities are based on the fair value of the investments corresponding to the employees' investment selections, primarily in mutual funds, based on quoted prices in active markets for identical assets. Deferred compensation investments are primarily presented in Other assets. Deferred compensation liabilities are primarily presented in Other long-term liabilities.

Note O — Derivative Instruments and Hedging Activity

The Company uses derivative contracts to hedge exposure to movements in interest rates associated with borrowings, foreign currency exposures, and precious metal and copper exposures. The objectives and strategies for using derivatives in these areas are as follows:

Interest Rate. On March 4, 2022, the Company entered into a $100.0 million interest rate swap to hedge the interest rate risk on the Credit Agreement described in Note Q. The swap hedges the change in 1-month Secured Overnight Financial Rate (SOFR) from March 4, 2022 to November 2, 2026. On March 21, 2023, the Company entered into two $50.0 million interest rate swaps to hedge the interest rate risk on the Credit Agreement. Additionally, on April 2, 2026 and June 11, 2026, the Company entered into forward starting interest rate swaps of $25.0 million and $15.0 million, respectively, to hedge the interest rate risk on the Credit Agreement. These swaps will hedge the change in 1-month SOFR from November 2, 2026 to June 25, 2030. The purpose of these hedges is to manage the risk of changes in the monthly interest payments attributable to changes in the benchmark interest rate.

Foreign Currency. The Company sells a portion of its products to overseas customers in their local currencies, primarily the euro and yen. The Company secures foreign currency derivatives, mainly forward contracts and options, to hedge these anticipated sales transactions. The purpose of the hedge program is to protect against the reduction in the dollar value of foreign currency sales from adverse exchange rate movements. Should the dollar strengthen significantly, the decrease in the translated value of the foreign currency sales should be partially offset by gains on the hedge contracts. Depending upon the methods used, the hedge contracts may limit the benefits from a weakening U.S. dollar.

The use of forward contracts locks in a firm rate and eliminates any downside from an adverse rate movement as well as any benefit from a favorable rate movement. The Company may from time to time choose to hedge with options or a tandem of options, known as a collar. These hedging techniques can limit or eliminate the downside risk but can allow for some or all of the benefit from a favorable rate movement to be realized. Unlike a forward contract, a premium is paid for an option; collars, which are a combination of a put and call option, may have a net premium but can be structured to be cash neutral. The Company will primarily hedge with forward contracts due to the relationship between the cash outlay and the level of risk.

The use of foreign currency derivative contracts is governed by policies approved by the Audit Committee of the Board of Directors. A team consisting of senior financial managers reviews the estimated exposure levels, as defined by budgets, forecasts, and other internal data, and determines the timing, amounts, and nature of instruments to use to hedge exposures. Management analyzes the effective hedged rates and the actual and projected gains and losses on the hedging transactions against the program objectives, targeted rates, and levels of risk assumed. Foreign currency contracts are typically layered in at different times for a specified exposure period in order to minimize the impact of market rate movements.

Precious Metals. The Company maintains the majority of its precious metal production requirements on consignment in order to reduce its working capital investment and the exposure to metal price movements. When a product containing precious metal is fabricated and delivered to the customer, the metal content is purchased out of consignment based on the current market price. The price paid by the Company for the precious metal forms the basis for the price charged to the customer for the metal content in the product. This methodology allows for changes in either direction in the market prices of the precious metals used by the Company to be passed through to the customer and reduces the impact changes in prices could have on the Company's margins and operating profit. The consigned metal is owned by precious metal consignors that charge the Company consignment fees based upon the value of the metal as it fluctuates while on consignment. Each precious metal consignor retains title to its consigned precious metal until it is purchased by the Company, and it is the Company’s typical practice to purchase metal out of consignment only after a product containing that metal has been purchased by one of our customers.

In certain instances, a customer may want to fix the price for the precious metal at the time the sales order is placed rather than at the time of shipment. Setting the sales price at a different date than when the material would be purchased out of consignment potentially creates an exposure to movements in the market price of the metal. Therefore, in these limited situations, the Company may elect to enter into a forward contract to purchase precious metal. The forward contract allows the Company to purchase metal at a fixed price on a specific future date. The price in the forward contract serves as the basis for the price to be charged to the customer. By doing so, the selling price and purchase price are matched, and the Company's price exposure is reduced.

The Company refines precious metal-containing materials for its customers and typically will purchase the refined metal from the customer at current market prices. In limited circumstances, the customer may want to fix the price to be paid at the time of the order as opposed to when the material is refined. The customer may also want to fix the price for a set period of time. The Company may then elect to enter into a hedge contract, either a forward contract or a swap, to fix the price for the estimated quantity of metal to be refined and purchased, thereby reducing the exposure to adverse movements in the price of the metal. The Company may also enter into hedges to mitigate the risk relating to the prices of the metals that we process or refine.

In certain circumstances, the Company also refines metal from the customer and may retain a portion of the refined metal as payment. The Company may elect to enter into a forward contract to sell precious metal to reduce the Company's price exposure in these instances.

The Company may, from time to time, elect to purchase precious metal and hold in inventory rather than on consignment due to potential credit line limitations or other factors. These purchases are infrequent and, when made are typically held for a short duration. A forward contract will be secured at the time of the purchase to fix the price to be paid when the metal is transferred back to the consignment line, thereby limiting any price exposure during the time when the metal was owned by the Company.

The Company will only enter into a derivative contract if there is an underlying identified exposure. Contracts are typically held to maturity. The Company does not engage in derivative trading activities and does not use derivatives for speculative purposes. The Company only uses hedge contracts that are denominated in the same currency or metal as the underlying exposure.

All derivatives are recorded on the balance sheet at fair value. If a derivative is designated and effective as a cash flow hedge, changes in the fair value of the derivative are recognized in other comprehensive income (OCI) and reclassified into income in the same period or periods during which the hedged transaction affects earnings. The ineffective portion of a derivative's fair value, if any, is recognized in earnings immediately. If a derivative is not a hedge, changes in the fair value are adjusted through income. The fair values of the outstanding derivatives are recorded on the balance sheet as assets (if the derivatives are in a gain position) or liabilities (if the derivatives are in a loss position). The derivative assets and liabilities are classified as short-term or long-term depending upon the contract maturity date.

The following table summarizes the notional amount and the fair value of the Company’s outstanding derivatives not designated as hedging instruments (on a gross basis) and the balance sheet classification as of July 3, 2026 and December 31, 2025:

	July 3, 2026		December 31, 2025	
(Thousands)	**Notional Amount**	**Fair Value**	Notional Amount	Fair Value
Foreign currency forward contracts				
Prepaid and other current assets	**$ 48,874**	**$ 1,565**	$ 6,240	$ 76
Other liabilities and accrued items	**21,706**	**277**	56,174	489

These outstanding foreign currency derivatives were related to balance sheet hedges and intercompany loans. Other-net included \$0.6 million and \$1.4 million of foreign currency gains in the second quarter and first six months of 2026, respectively, compared to \$1.5 million and \$2.0 million of foreign currency losses in the second quarter and first six months of 2025, respectively.

The following table summarizes the notional amount and the fair value of the Company's outstanding derivatives designated as cash flow hedges (on a gross basis) and balance sheet classification as of July 3, 2026 and December 31, 2025:

	July 3, 2026				
		Fair Value			
(Thousands)	Notional Amount	Prepaid and other current assets	Other assets	Other liabilities and accrued items	Other long-term liabilities
Foreign currency forward contracts - yen	**$ 227**	**$ 10**	**$ —**	**$ —**	**$ —**
Foreign currency forward contracts - euro	**—**	**—**	**—**	**—**	**—**
Precious metal swaps	**—**	**—**	**—**	**—**	**—**
Interest rate swaps	**240,000**	**849**	**237**	**50**	**22**
Total	**$ 240,227**	**$ 859**	**$ 237**	**$ 50**	**$ 22**

	December 31, 2025				
		Fair Value			
	Notional Amount	Prepaid and other current assets	Other assets	Other liabilities and accrued items	Other long-term liabilities
Foreign currency forward contracts - yen	$ 579	$ 3	$ —	$ —	$ —
Foreign currency forward contracts - euro	—	—	—	—	—
Precious metal swaps	—	—	—	—	—
Interest rate swaps	200,000	1,491	—	325	—
Total	$ 200,579	$ 1,494	$ —	$ 325	$ —

All of the contracts summarized above were designated and effective as cash flow hedges. We expect to reclassify $0.8 million of net gains into earnings in the next 12 months contemporaneously with the earnings effects of the related forecasted transactions. At July 3, 2026, the maximum term of derivative instruments that hedge forecasted transactions was approximately four years. Refer to Note L for further details related to OCI.

The following table summarizes the amounts reclassified from accumulated other comprehensive income relating to the Company's outstanding derivatives designated as cash flow hedges and associated income statement classification as of the second quarter and first six months of 2026 and 2025:

		Second Quarter Ended	
(Thousands)		July 3, 2026	June 27, 2025
Hedging relationship	**Line item**		
Foreign currency forward contracts	Net sales	**$ 206**	$ (60)
Precious metal swaps	Cost of sales	**—**	—
Interest rate swap	Interest expense - net	**(448)**	(794)
Total		**$ (242)**	$ (854)

(Thousands)		Six Months Ended	
		July 3, 2026	June 27, 2025
Hedging relationship	**Line item**		
Foreign currency forward contracts	Net sales	**$ 208**	$ (94)
Precious metal swaps	Cost of sales	**—**	—
Interest rate swap	Interest expense - net	**(932)**	(1,557)
Total		**$ (724)**	$ (1,651)

Note P — Contingencies

Legal Proceedings. The Company is party to several pending legal proceedings and claims arising in the normal course of business. The Company records a liability when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. In the event the Company determines that a loss is not probable, but is reasonably possible, and it becomes possible to develop what the Company believes to be a reasonable range of possible loss, then the Company will include disclosure related to such matters. To the extent there is a reasonable possibility that the losses could exceed any amounts accrued, the Company will adjust the accrual in the period the determination is made, disclose an estimate of the additional loss or range of loss, indicate that the estimate is immaterial with respect to its financial statements as a whole or, if the amount of such adjustment cannot be reasonably estimated, disclose that an estimate cannot be made.

On May 13, 2026, the Company received an adverse ruling from the Frankfurt am Main Regional Court in a matter involving Heraeus Metals Germany GmbH & Co. KG (“Heraeus”) related to the theft of 50 kilograms of gold granulate during transport in Germany in 2022. The Company has appealed the ruling. At the time of the incident, the gold was valued at approximately $2.5 million and is valued at approximately $6.7 million as of July 3, 2026, which will fluctuate in future periods as the potential exposure is dependent on future gold prices. The Company expects that approximately $2.5 million of any potential loss will be recoverable under its insurance coverage.

Based on management’s review of the ruling and underlying facts, consultation with legal counsel, and the Company’s appeal, management continues to believe that a loss is not probable at this time. Accordingly, no accrual was recorded at the time of the incident or as of the date of our financial statements. The Company will continue to monitor the appeal process and any changes in facts or circumstances that may affect its assessment.

Environmental Proceedings. The Company has an active environmental compliance program and records reserves for the probable cost of identified environmental remediation projects. The reserves are established based upon analyses conducted by the Company’s engineers and outside consultants and are adjusted from time to time based upon ongoing studies, the difference between actual and estimated costs, and other factors. The reserves may also be affected by rulings and negotiations with regulatory agencies. The undiscounted reserve balance was $2.4 million and $2.5 million at July 3, 2026 and December 31, 2025, respectively, and is included in Other liabilities and accrued items and Other long-term liabilities on the Consolidated Balance Sheet. Environmental projects tend to be long-term, and the final actual remediation costs may differ from the amounts currently recorded.

Note Q — Debt

(Thousands)	July 3, 2026	December 31, 2025
Borrowings under Credit Agreement	**$ 212,125**	$ 221,125
Borrowings under the Term Loan Facility	**219,375**	222,188
Overdraft Sweep Facility	**137**	15,659
Foreign debt	**10,695**	1,670
Total debt outstanding	**442,332**	460,642
Current portion of long-term debt	**(17,478)**	(22,445)
Gross long-term debt	**424,854**	438,197
Unamortized deferred financing fees	**(1,644)**	(1,849)
Long-term debt	**$ 423,210**	$ 436,348

As of July 3, 2026 and December 31, 2025, the Company had $212.1 million outstanding at an average interest rate of 5.28% and $221.1 million outstanding at an average interest rate of 5.26%, respectively, under its revolving credit facility. The available borrowing capacity under the revolving credit facility as of July 3, 2026 was $232.7 million. The Company has the option to repay or borrow additional funds under the revolving credit facility until the maturity date in 2030.

In connection with the revolving credit facility, the administrative agent provides the Company with an overdraft sweep facility that the Company uses on a daily basis for short-term cash needs. As of July 3, 2026, there was $0.1 million outstanding on the overdraft sweep facility. The facility allows for an additional $30.0 million of liquidity. The amended and restated credit agreement governing the revolving credit facility and the term loan facility (Credit Agreement) includes covenants subject to a maximum leverage ratio and a minimum interest coverage ratio. We were in compliance with all of our debt covenants as of July 3, 2026.

Other sources of liquidity include uncommitted short-term lines of credit for certain of the Company's foreign subsidiaries, which currently provide for borrowings up to $22.4 million. At July 3, 2026 the Company had borrowings outstanding of $10.1 million which reduced the aggregate availability under these facilities to $12.3 million.

The balance outstanding on the term loan facility as of July 3, 2026 and December 31, 2025 was $219.4 million and $222.2 million, respectively.

At July 3, 2026 and December 31, 2025, there was $5.2 million outstanding against the letters of credit sub-facility.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

OVERVIEW

We are an integrated producer of high-performance advanced engineered materials used in a variety of electronic, thermal, and structural applications. Our products are sold into numerous end markets, including semiconductor, industrial, aerospace and defense, automotive, consumer electronics, energy, and telecom and data center.

RESULTS OF OPERATIONS

Second Quarter

(Thousands, except per share data)	Second Quarter Ended July 3, 2026	June 27, 2025	$ Change	% Change
Net sales	**$ 613,906**	$ 431,658	$ 182,248	42 %
Value-added sales	**308,188**	268,970	39,218	15 %
Gross margin	**104,342**	82,658	21,684	26 %
Gross margin as a % of net sales	**17 %**	19 %		
Gross margin as a % of value-added sales	**34 %**	31 %		
Selling, general, and administrative (SG&A) expense	**42,321**	35,039	7,282	21 %
SG&A expense as a % of net sales	**7 %**	8 %		
SG&A expense as a % of value-added sales	**14 %**	13 %		
Research and development (R&D) expense	**6,562**	6,413	149	2 %
R&D expense as a % of net sales	**1 %**	1 %		
R&D expense as a % of value-added sales	**2 %**	2 %		
Restructuring expense	**324**	479	(155)	(32)%
Other—net	**3,424**	3,908	(484)	(12)%
Operating profit	**51,711**	36,819	14,892	40 %
Other non-operating (income)—net	**(317)**	(567)	250	(44)%
Interest expense—net	**7,526**	8,230	(704)	(9)%
Income before income taxes	**44,502**	29,156	15,346	53 %
Income tax expense	**5,744**	4,016	1,728	43 %
Net income	**$ 38,758**	$ 25,140	$ 13,618	54 %
Diluted earnings per share	**$ 1.84**	$ 1.21	$ 0.63	52 %

Net sales of $613.9 million in the second quarter of 2026 increased $182.2 million from $431.7 million in the second quarter of 2025. The increase in net sales was primarily attributable to the Electronic Materials segment. The increase in net sales in the Electronic Materials segment was primarily due to higher precious metal pass through costs, increasing net sales by approximately $94.6 million when compared to the prior year period. At the Company level, this was driven by volume increases in the energy (106%), semiconductor (59%), and aerospace and defense (40%) end markets. Additionally, there was a $5.9 million year over year increase in the volume of raw material beryllium hydroxide sales compared to the second quarter of 2025. See Note C to the Consolidated Financial Statements for additional details on the year over year changes in our net sales by segment and market.

Value-added sales is a non-GAAP financial measure that removes the impact of pass-through precious metal market costs and allows for analysis without the distortion of the movement or volatility in precious metal market prices and changes in mix due to customer-supplied material. Internally, we manage our business on this basis, and a reconciliation of net sales, the most directly comparable GAAP financial measure, to value-added sales is included herein. Value-added sales of $308.2 million in the second quarter of 2026 increased $39.2 million, or 15%, compared to the second quarter of 2025. Volume increases in the aerospace and defense (39%) and semiconductor (23%) end markets were partially offset by decreases in the consumer electronics (17%) end market. Additionally, there was a $5.9 million year over year increase in the volume of raw material beryllium hydroxide sales compared to the second quarter of 2025.

Gross margin in the second quarter of 2026 was $104.3 million, an increase of 26% compared to the second quarter of 2025. Gross margin expressed as a percentage of net sales was 17% in the second quarter of 2026 and 19% in the second quarter of 2025. Gross margin expressed as a percentage of value-added sales was 34% in second quarter of 2026, compared to 31% in the second quarter of 2025. Gross margin as a percentage of value-added sales increased due to product mix, manufacturing efficiencies and the increase in hydroxide sales, which favorably impacted margins in the second quarter of 2026 compared to the same period in 2025.

SG&A expense was $42.3 million in the second quarter of 2026, compared to $35.0 million in the second quarter of 2025. The increase in SG&A expense was primarily due to timing of the incentive compensation accruals due to year to date performance. Expressed as a percentage of net sales, SG&A expense was 7% of net sales in the second quarter of 2026 and 8% in the second quarter of 2025. Expressed as a percentage of value-added sales, SG&A expense was 14% and 13% in the second quarter of 2026 and 2025, respectively.

R&D expense consists primarily of direct personnel costs for product innovation including pre-production development, evaluation, and testing of new products, prototypes, and applications to deliver new high performing advanced materials to our customers. R&D expense accounted for 1% of net sales in both the second quarter of 2026 and 2025. R&D expense accounted for 2% of value-added sales in both the second quarter of 2026 and 2025.

Restructuring expense consists primarily of cost reduction actions taken in order to reduce our fixed cost structure. We recorded a combined total of $0.3 million and $0.5 million of restructuring charges across all segments in the second quarter of 2026 and 2025, respectively. Refer to Note F to the Consolidated Financial Statements for details.

Other-net was $3.4 million of expense in the second quarter of 2026, or a decrease of $0.5 million from the second quarter of 2025. Refer to Note E to the Consolidated Financial Statements for details of the major components within Other-net.

Other non-operating (income)-net includes components of pension and post-retirement expense other than service costs. Refer to Note K to the Consolidated Financial Statements for details of the components.

Interest expense-net was $7.5 million and $8.2 million in the second quarter of 2026 and 2025, respectively. The decrease in interest expense was primarily due to a decrease in interest rates compared to the prior year period.

Income tax expense for the second quarter of 2026 was $5.7 million, compared to $4.0 million in the second quarter of 2025. The Company's effective tax rate for the second quarter of 2026 and 2025 was 12.9% and 13.8%, respectively. The effective tax rate for the second quarter of 2026 is lower than the statutory tax rate primarily due to the impact of the foreign-derived deduction eligible income, and excess tax benefits from stock-based compensation awards. The effective tax rate for the second quarter of 2025 is lower than the statutory tax rate primarily due to the impact of percentage depletion and the advanced manufacturing production credit. See Note G to the Consolidated Financial Statements for additional discussion.

Six Months

(Thousands, except per share data)	Six Months Ended July 3, 2026	June 27, 2025	$ Change	% Change
Net sales	**$ 1,163,730**	$ 851,988	$ 311,742	37 %
Value-added sales	**569,978**	528,316	41,662	8 %
Gross margin	**186,177**	158,837	27,340	17 %
Gross margin as a % of net sales	**16 %**	19 %		
Gross margin as a % of value-added sales	**33 %**	30 %		
SG&A expense	**78,521**	70,484	8,037	11 %
SG&A expense as a % of net sales	**7 %**	8 %		
SG&A expense as a % of value-added sales	**14 %**	13 %		
R&D expense	**12,719**	12,918	(199)	(2)%
R&D expense as a % of net sales	**1 %**	2 %		
R&D expense as a % of value-added sales	**2 %**	2 %		
Restructuring expense	**2,619**	2,517	102	4 %
Other—net	**12,432**	8,904	3,528	40 %
Operating profit	**79,886**	64,014	15,872	25 %
Other non-operating (income)—net	**(627)**	(1,233)	606	(49)%
Interest expense—net	**15,104**	15,147	(43)	— %
Income before income taxes	**65,409**	50,100	15,309	31 %
Income tax expense	**7,277**	7,262	15	— %
Net income	**$ 58,132**	$ 42,838	$ 15,294	36 %
Diluted earnings per share	**$ 2.76**	$ 2.05	$ 0.71	35 %

Net sales of $1,163.7 million in the first six months of 2026 increased $311.7 million from $852.0 million in the first six months of 2025. The increase in net sales was primarily attributable to the Electronic Materials segment. The increase in the Electronic Materials segment was primarily due to higher precious metal pass through costs, increasing net sales by approximately $227.3 million when compared to the prior year period. At the Company level, a volume increase in the semiconductor (64%), energy (60%) and aerospace and defense (29%) end markets were partially offset by a volume decrease in the consumer electronics (17%) end market. Additionally, there was a $8.8 million year over year increase in the volume of raw material beryllium hydroxide sales compared to the same period in the prior year. See Note C to the Consolidated Financial Statements for additional details on the year over year changes in our net sales by segment and market.

Value-added sales of $570.0 million in the first six months of 2026 increased $41.7 million, or 8%, compared to the first six months of 2025. Volume increases in the aerospace and defense (26%) and semiconductor (20%) end markets were partially offset by a volume decreases in the consumer electronics (29%) end market. Additionally, there was a $8.8 million year over year increase in the volume of raw material beryllium hydroxide sales compared to the same period in the prior year.

Gross margin in the first six months of 2026 was $186.2 million, an increase of 17% compared to the first six months of 2025. Gross margin expressed as a percentage of net sales was 16% in the first six months of 2026 and 19% in the first six months of 2025. Gross margin expressed as a percentage of value-added sales increased to 33% in the first six months of 2026 from 30% in the first six months of 2025. Gross margin as a percentage of value-added sales increased due to product mix, manufacturing efficiencies and the increase in hydroxide sales, which favorably impacted margins in the first six months of 2026 compared to the same period in 2025.

SG&A expense was $78.5 million in the first six months of 2026, compared to $70.5 million in the first six months of 2025. The increase in SG&A expense was primarily due to timing of incentive compensation accruals due to year to date performance. Expressed as a percentage of net sales, SG&A expense was 7% and 8% in the first six months of 2026 and 2025, respectively. Expressed as a percentage of value-added sales, SG&A expense was 14% in the first six months of 2026 and 13% in the first six months of 2025.

R&D expense consists primarily of direct personnel costs for product innovation including pre-production development, evaluation, and testing of new products, prototypes, and applications to deliver new high performing advanced materials to our customers. R&D expense accounted for 1% of net sales in the first six months of 2026 and 2% in the first six months of 2025. R&D expense accounted for 2% of value-added sales in both the first six months of 2026 and 2025.

Restructuring expense consists primarily of cost reduction actions taken in order to reduce our fixed cost structure. In the first six months of 2026, we recorded a combined total of $2.6 million of restructuring charges across all segments, compared to $2.5 million of restructuring charges across all segments in the first six months of 2025. Refer to Note F to the Consolidated Financial Statements for details.

Other-net was $12.4 million of expense in the first six months of 2026, or a $3.5 million increase from the first six months of 2025. Refer to Note E to the Consolidated Financial Statements for details of the major components within Other-net.

Other non-operating (income)-net includes components of pension and post-retirement expense other than service costs. Refer to Note K to the Consolidated Financial Statements for details of the components.

Interest expense-net was $15.1 million in both the first six months of 2026 and 2025, respectively.

Income tax expense was $7.3 million for both the first half of 2025 and 2026. The Company's effective tax rate for the first six months of 2026 and 2025 was 11.1% and 14.5%, respectively. The effective tax rate for the first six months of 2026 is lower than the statutory tax rate primarily due to the impact of the foreign-derived deduction eligible income and excess tax benefits from stock-based compensation awards. The effective tax rate for the first six months of 2025 is lower than the statutory tax rate primarily due to the impact of percentage depletion and the advanced manufacturing production credit. See Note G to the Consolidated Financial Statements for additional discussion.

Value-Added Sales - Reconciliation of Non-GAAP Financial Measure

A reconciliation of net sales to value-added sales, a non-GAAP financial measure, for each reportable segment and for the total Company for the second quarter and first six months of 2026 and 2025 is as follows:

	Second Quarter Ended		Six Months Ended	
(Thousands)	**July 3, 2026**	June 27, 2025	**July 3, 2026**	June 27, 2025
Net sales				
Performance Materials	**$ 207,949**	$ 182,778	**$ 363,614**	$ 356,765
Electronic Materials	**375,181**	224,427	**738,545**	449,222
Precision Optics	**30,776**	24,453	**61,571**	46,001
Other	**—**	—	**—**	—
Total	**$ 613,906**	$ 431,658	**$ 1,163,730**	$ 851,988
Less: pass-through metal costs				
Performance Materials	**$ 17,948**	$ 14,268	**$ 34,129**	$ 28,208
Electronic Materials	**287,735**	148,378	**559,531**	295,360
Precision Optics	**35**	42	**92**	104
Other	**—**	—	**—**	—
Total	**$ 305,718**	$ 162,688	**$ 593,752**	$ 323,672
Value-added sales				
Performance Materials	**$ 190,001**	$ 168,510	**$ 329,485**	$ 328,557
Electronic Materials	**87,446**	76,049	**179,014**	153,862
Precision Optics	**30,741**	24,411	**61,479**	45,897
Other	**—**	—	—	—
Total	**$ 308,188**	$ 268,970	**$ 569,978**	$ 528,316

Internally, management reviews net sales on a value-added basis. Value-added sales is a non-GAAP financial measure that deducts the value of the pass-through metal costs from net sales. Value-added sales allow management to assess the impact of differences in net sales between periods, segments, or markets, and analyze the resulting margins and profitability without the distortion of movements in pass-through metal costs. The dollar amount of gross margin and operating profit is not affected by the value-added sales calculation. We sell other metals and materials that are not considered direct pass-throughs, and these costs are not deducted from net sales when calculating value-added sales. Non-GAAP financial measures, such as value-added sales, have inherent limitations and should not be considered in isolation, or as a substitute for analyses of results as reported under GAAP.

The cost of gold, silver, platinum, palladium, copper, ruthenium, iridium, rhodium, rhenium, and osmium can be quite volatile. Our pricing policy is to directly pass the cost of these metals on to the customer in order to mitigate the impact of metal price volatility on our results from operations. Trends and comparisons of net sales are affected by movements in the market prices of these metals, but changes in net sales due to metal price movements may not have a proportionate impact on our profitability.

Our net sales are also affected by changes in the use of customer-supplied metal. When we manufacture a precious metal product, the customer may purchase metal from us or may elect to provide its own metal, in which case we process the metal on a toll basis and the metal value does not flow through net sales or cost of sales. In either case, we generally earn our margin based upon our fabrication efforts. The relationship of this margin to net sales can change depending upon whether or not the product was made from our metal or the customer’s metal. The use of value-added sales removes the potential distortion in the comparison of net sales caused by changes in the level of customer-supplied metal.

By presenting information on net sales and value-added sales, it is our intention to allow users of our financial statements to review our net sales with and without the impact of the pass-through metals.

Segment Results

The Company consists of four reportable segments: Performance Materials, Electronic Materials, Precision Optics, and Other. The Other reportable segment includes unallocated corporate costs.

Performance Materials

Second Quarter

	Second Quarter Ended			
(Thousands)	**July 3, 2026**	June 27, 2025	$ Change	% Change
Net sales	**$ 207,949**	$ 182,778	$ 25,171	14 %
Value-added sales	**190,001**	168,510	21,491	13 %
EBITDA	**48,302**	41,094	7,208	18 %

Net sales from the Performance Materials segment of $207.9 million in the second quarter of 2026 increased 14% compared to net sales of $182.8 million in the second quarter of 2025. The increase in sales was due to higher sales volumes in the aerospace and defense (40%) end market. Additionally, there was a year over year increase in the volume of raw material beryllium hydroxide sales totaling $5.9 million. This was partially offset by lower sales volumes in the consumer electronics (18%) end market. The decrease in the consumer electronics end market reflects lower volumes resulting from a controlled production ramp during the second quarter of 2026 as part of ongoing operational alignment with a large precision clad strip customer. The Company continues to collaborate closely with this customer to ensure stable and reliable production performance.

Value-added sales of $190.0 million in the second quarter of 2026 were 13% higher than value-added sales of $168.5 million in the second quarter of 2025. The increase in value-added sales was due to the same factors driving the increase in net sales.

EBITDA for the Performance Materials segment was $48.3 million in the second quarter of 2026 compared to $41.1 million in the second quarter of 2025. The increase was primarily driven by incremental margin from higher sales volumes and strong price/mix. This was offset by lower margins resulting from reduced sales volumes during the controlled production ramp described above.

Six Months

	Six Months Ended			
(Thousands)	**July 3, 2026**	June 27, 2025	$ Change	% Change
Net sales	**$ 363,614**	$ 356,765	$ 6,849	2 %
Value-added sales	**329,485**	328,557	928	— %
EBITDA	**72,103**	81,767	(9,664)	(12)%

Net sales from the Performance Materials segment of $363.6 million in the first six months of 2026 increased 2% compared to net sales of $356.8 million in the first six months of 2025. The increase in sales was due to higher sales volumes in the aerospace and defense (22%) end market. Additionally, there was a $8.8 million year over year increase in the volume of raw material beryllium hydroxide sales compared to the first six months of 2025. This was partially offset by lower sales volumes in the consumer electronics (31%) end market. The decrease in the consumer electronics end market over the first six months reflects lower volumes resulting from a controlled production ramp during the second quarter of 2026 as part of ongoing operational alignment with a large precision clad strip customer. The Company continues to collaborate closely with this customer to ensure stable and reliable production performance.

Value-added sales of $329.5 million in the first six months of 2026 were flat year over year.

EBITDA for the Performance Materials segment was $72.1 million in the first six months of 2026 compared to $81.8 million in the first six months of 2025. The decrease was driven by lower sales volumes to our large precision clad customer and an incremental $3.5 million of additional net costs related to the controlled production ramp described above. These incremental costs included capacity-related charges and expenses incurred to reimburse customers for incremental shipping and related tariff costs associated with procuring substitute materials necessary to meet their demand requirements. Additionally, there were higher raw material costs and manufacturing inefficiencies that further increased cost in the period. Partially offsetting these impacts were the increases in hydroxide sales that favorably impacted margins.

Electronic Materials

Second Quarter

	Second Quarter Ended			
(Thousands)	**July 3, 2026**	June 27, 2025	$ Change	% Change
Net sales	**$ 375,181**	$ 224,427	$ 150,754	67 %
Value-added sales	**87,446**	76,049	11,397	15 %
EBITDA	**27,832**	17,601	10,231	58 %

Net sales from the Electronic Materials segment of $375.2 million in the second quarter of 2026 increased by 67% compared to net sales of $224.4 million in the second quarter of 2025. The increase in net sales was due to higher pass-through metal pricing and sales volumes in the semiconductor and energy end markets. Higher pass-through metal pricing contributed $94.6 million compared to the second quarter of 2025.

Value-added sales of $87.4 million in the second quarter of 2026 increased 15% compared to value-added sales of $76.0 million in the second quarter of 2025. The increase in value-added sales was primarily driven by a volume increase in the semiconductor (18%) end market.

EBITDA for the Electronic Materials segment was $27.8 million in the second quarter of 2026 compared to $17.6 million in the second quarter of 2025. EBITDA in the second quarter of 2026 benefited from incremental margin driven by higher sales volumes, strong price/mix, as well as favorable operational and manufacturing efficiencies.

Six Months

	Six Months Ended			
(Thousands)	**July 3, 2026**	June 27, 2025	$ Change	% Change
Net sales	**$ 738,545**	$ 449,222	$ 289,323	64 %
Value-added sales	**179,014**	153,862	25,152	16 %
EBITDA	**53,362**	28,679	24,683	86 %

Net sales from the Electronic Materials segment of $738.5 million in the first six months of 2026 increased by 64% compared to net sales of $449.2 million in the first six months of 2025. The increase in net sales was due to higher pass-through metal pricing and sales volumes in the semiconductor and energy end markets. Higher pass-through metal pricing contributed $227.3 million compared to the first six months of 2025.

Value-added sales of $179.0 million in the first half of 2026 increased 16% compared to value-added sales of $153.9 million in the first half of 2025. The increase in value-added sales was primarily driven by volume increases in the semiconductor (18%) end market.

EBITDA for the Electronic Materials segment was $53.4 million in the first six months of 2026 compared to $28.7 million in the first six months of 2025. EBITDA in the first six months of 2026 benefited from incremental margin driven by higher sales volumes, strong price/mix, as well as favorable operational and manufacturing efficiencies.

Precision Optics

Second Quarter

(Thousands)	Second Quarter Ended July 3, 2026	June 27, 2025	$ Change	% Change
Net sales	**$ 30,776**	$ 24,453	$ 6,323	26 %
Value-added sales	**30,741**	24,411	6,330	26 %
EBITDA	**6,604**	2,099	4,505	215 %

Net sales from the Precision Optics segment of $30.8 million in the second quarter of 2026 increased 26% compared to net sales of $24.5 million in the second quarter of 2025. The increase was primarily due to higher sales volumes in the semiconductor (206%), industrial (37%) and aerospace and defense (34%) end markets.

Value-added sales of $30.7 million in the second quarter of 2026 increased 26% compared to value-added sales of $24.4 million in the second quarter of 2025. The increase in value-added sales was due to the same factors driving the increase in net sales.

EBITDA for the Precision Optics segment was $6.6 million in the second quarter of 2026 compared to $2.1 million in the second quarter of 2025. The increase in EBITDA was primarily driven by favorable impacts of higher volume, strong price/mix and manufacturing efficiencies, partially offset by an increase in incentive compensation expense due to year to date performance.

Six Months

(Thousands)	Six Months Ended July 3, 2026	June 27, 2025	$ Change	% Change
Net sales	**$ 61,571**	$ 46,001	$ 15,570	34 %
Value-added sales	**61,479**	45,897	15,582	34 %
EBITDA	**11,277**	617	10,660	1,728 %

Net sales from the Precision Optics segment of $61.6 million in the first half of 2026 increased 34% compared to net sales of $46.0 million in the first half of 2025. The increase was primarily due to higher sales volumes in the semiconductor (169%), aerospace and defense (46%), and industrial (29%) end markets.

Value-added sales of $61.5 million in the first half of 2026 increased 34% compared to value-added sales of $45.9 million in the first half of 2025. The increase in value-added sales was due to the same factors driving the increase in net sales.

EBITDA for the Precision Optics segment was $11.3 million in the first six months of 2026 compared to $0.6 million in the first six months of 2025. The increase in EBITDA was primarily driven by favorable of higher volume, strong price/mix and manufacturing efficiencies, partially offset by an increase in incentive compensation expense due to year to date performance.

Other

Second Quarter

(Thousands)	Second Quarter Ended July 3, 2026	June 27, 2025	$ Change	% Change
Net sales	**$ —**	$ —	$ —	— %
Value-added sales	**—**	—	—	— %
EBITDA	**(11,522)**	(5,899)	(5,623)	95 %

The Other reportable segment in total includes unallocated corporate costs.

Corporate costs were $11.5 million in the second quarter of 2026 compared to $5.9 million in the second quarter of 2025. Corporate costs were 2% and 1% of Company-wide net sales in the second quarter of 2026 and 2025, respectively. Corporate costs were 4% of Company-wide value-added sales in both the second quarter of 2026 and 2025. The increase in corporate costs were primarily due to higher stock compensation and incentive compensation expense due to increased Company performance.

Six Months

	Six Months Ended			
(Thousands)	**July 3, 2026**	June 27, 2025	$ Change	% Change
Net sales	**$ —**	$ —	$ —	— %
Value-added sales	**—**	—	—	— %
EBITDA	**(18,615)**	(11,769)	(6,846)	58 %

Corporate costs were $18.6 million in the first half of 2026 compared to $11.8 million in the first half of 2025. Corporate costs were 2% and 1% of Company-wide net sales in the first six months of 2026 and 2025, respectively. Corporate costs were 3% and 2% of Company-wide value-added sales in the first six months of 2026 and 2025, respectively. The increase in corporate costs were primarily due to higher stock compensation and incentive compensation expense due to increased Company performance.

FINANCIAL POSITION

Cash Flow

A summary of cash flows provided by (used in) operating, investing, and financing activities is as follows:

	Six Months Ended		
(Thousands)	**July 3, 2026**	June 27, 2025	$ Change
Net cash provided by operating activities	**$ 70,506**	$ 65,442	$ 5,064
Net cash (used in) investing activities	**(31,479)**	(34,912)	3,433
Net cash (used in) financing activities	**(32,115)**	(36,377)	4,262
Effects of exchange rate changes	**(606)**	1,725	(2,331)
Net change in cash and cash equivalents	**$ 6,306**	$ (4,122)	$ 10,428

Net cash provided by operating activities totaled $70.5 million in the first six months of 2026 versus $65.4 million in the prior-year period. The $5.1 million increase was primarily driven by an increase in accounts payable and accrued expenses of $41.4 million, due to continued working capital management and timing of payments. These cash inflows were offset by an increase in inventory of $22.0 million to support sales growth, in addition to an increase in accounts receivable of $38.2 million, due to timing of cash collections and higher sales when compared to prior year.

Net cash used in investing activities was $31.5 million in the first six months of 2026 compared to $34.9 million in the prior-year period. The decrease in cash used in investing activities is due to a decrease in mine development costs offset by higher capital expenditures. Capital expenditures are made primarily for new product development, replacing and upgrading equipment, infrastructure investments, and implementing information technology initiatives. For the full year 2026, the Company expects payments for property, plant, and equipment to be approximately $100 million.

Net cash used in financing activities totaled $32.1 million in the first six months of 2026 and compared to $36.4 million in the comparable prior-year period. The net financing cash outflow in the first six months of 2026 was primarily driven by debt repayments, made possible by increased cash levels resulting from the Company's ongoing working capital initiatives.

Liquidity

We believe cash flow from operations plus the available borrowing capacity and our current cash balance are adequate to support operating requirements, capital expenditures, projected pension plan contributions, the current dividend program, environmental remediation projects, and strategic acquisitions for at least the next twelve months and for the foreseeable future thereafter. At July 3, 2026, cash and cash equivalents held by our foreign operations totaled $19.0 million. We do not expect restrictions on repatriation of cash held outside of the United States to have a material effect on our overall liquidity, financial condition, or results of operations for the foreseeable future.

A summary of key data relative to our liquidity, including outstanding debt, cash, and available borrowing capacity, as of July 3, 2026 and December 31, 2025 is as follows:

(Thousands)	**July 3, 2026**	December 31, 2025
Cash and cash equivalents	**$ 19,987**	$ 13,681
Total outstanding debt	**440,688**	458,793
Net debt	**$ (420,701)**	$ (445,112)
Available borrowing capacity	**$ 232,679**	$ 223.675

Net debt is a non-GAAP financial measure. We are providing this information because we believe it is more indicative of our overall financial position. It is also a measure our management uses to assess financing and other decisions. We believe that based on our typical cash flow generated from operations, we can support a higher leverage ratio in future periods.

The available borrowing capacity in the table above represents the additional amounts that could be borrowed under our revolving credit facility and other secured lines existing as of the end of each period depicted. The applicable debt covenants have been taken into account when determining the available borrowing capacity, including the covenant that restricts borrowing capacity to a multiple of the twelve-month trailing earnings before interest, income taxes, depreciation and amortization, and other adjustments.

In June 2025, the Company entered into a Fifth Amended and Restated Credit Agreement (Credit Agreement). Among other things, the Credit Agreement provides for a $450 million senior secured revolving credit facility (Revolving Credit Facility) and a $225 million senior secured term loan facility (Term Loan Facility and, together with the Revolving Credit Facility, Credit Facilities). The Term Loan Facility was fully drawn on June 26, 2025. The Credit Facilities mature on June 26, 2030.

The Credit Agreement also provides for an uncommitted incremental facility whereby, subject to the satisfaction of certain conditions, the Company may be able to borrow additional term loans in an aggregate amount not to exceed $250 million. The Credit Agreement provides the Company and its subsidiaries with additional capacity to enter into facilities for the consignment of precious metals, copper, nickel and tantalum, and provides enhanced flexibility to finance acquisitions and other strategic initiatives. Borrowings under the Credit Agreement are secured by substantially all of the assets of the Company and its direct subsidiaries, with the exception of non-mining real property, precious metal and certain other assets.

The Credit Agreement allows the Company to borrow money at a premium over SOFR or prime rate and at varying maturities. The premium resets quarterly according to the terms and conditions stipulated in the credit agreement. The Credit Agreement includes restrictive covenants relating to restrictions on additional indebtedness, acquisitions, dividends, and stock repurchases. In addition, the Credit Agreement includes covenants that limit the Company to a maximum leverage ratio and a minimum interest coverage ratio. We were in compliance with all of our debt covenants as of July 3, 2026 and December 31, 2025. Cash on hand up to $35.0 million can benefit the covenants and may benefit the borrowing capacity under the Credit Agreement.

Portions of our business utilize off-balance sheet consignment arrangements allowing us to use metal owned by precious metal consignors as we manufacture product for our customers. Metal is purchased from the precious metal consignor and sold to our customer at the time of product shipment. Expansion of business volumes and/or higher metal prices can put pressure on the consignment line limitations from time to time. In August 2025, we entered into a precious metals consignment agreement, maturing on August 31, 2028, which replaced the consignment agreements that would have matured on August 31, 2025. The available and unused capacity under the metal consignment agreements expiring in August 2028 totaled approximately $344.4 million as of July 3, 2026, compared to $173.8 million as of December 31, 2025.

In January 2014, our Board of Directors approved a plan to repurchase up to $50.0 million of our common stock. We repurchased 100,000 shares under this program in the second quarter of 2025 for a total cost of $7.8 million. Since the approval of the repurchase plan, we have purchased 1,354,264 shares at a total cost of $49.5 million. In October 2025, we announced that our Board of Directors had approved a new plan to repurchase up to $50.0 million of our common stock, replacing the plan approved in 2014. The timing of the share repurchases will depend on several factors, including market and business conditions, our cash flow, debt levels, and other investment opportunities. There is no minimum quantity requirement to repurchase our common stock for a given year, and the repurchases may be discontinued at any time.

We paid cash dividends of $3.0 million and $5.9 million on our common stock in the second quarter and first six months of 2026, respectively. We intend to pay a quarterly dividend on an ongoing basis, subject to a determination that the dividend remains in the best interest of our shareholders.

OFF-BALANCE SHEET ARRANGEMENTS AND CASH OBLIGATIONS

We maintain the majority of the precious metals and portions of the copper and nickel we use in production on a consignment basis in order to reduce our exposure to metal price movements and to reduce our working capital investment. The notional value of off-balance sheet precious metals, copper and nickel was $505.6 million and $526.2 million as of July 3, 2026 and December 31, 2025, respectively. We were in compliance with all of the covenants contained in the consignment agreements as of July 3, 2026. For additional information on our contractual and other obligations, refer to our 2025 Annual Report on Form 10-K.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the inherent use of estimates and management's judgment in establishing those estimates. For additional information regarding critical accounting policies, please refer to our 2025 Annual Report on Form 10-K.

Forward-looking Statements: *Portions of the narrative set forth in this document that are not statements of historical or current facts are forward-looking statements. Our actual future performance may materially differ from that contemplated by the forward-looking 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; 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 geopolitical conflicts such as the conflict between Russia and Ukraine and the conflict between the United States and Iran; realization of financial benefits expected from the Inflation Reduction Act of 2022; and the risk factors set forth in Part 1, Item 1A of the Company's 2025 Annual Report on Form 10-K.*

Item 3. Quantitative and Qualitative Disclosures about Market Risk

For information regarding market risks, refer to Item 7A. Quantitative and Qualitative Disclosures About Market Risk in our 2025 Annual Report on Form 10-K. There have been no material changes in our market risks since the inclusion of this discussion in our 2025 Annual Report on Form 10-K.

Item 4. Controls and Procedures

a) Evaluation of Disclosure Controls and Procedures

The Company carried out an evaluation under the supervision and with participation of the Company's management, including the chief executive officer and chief financial officer, of the effectiveness of the design and operation of disclosure controls and procedures as of July 3, 2026 pursuant to Rule 13a-15(b) and 15d-15(b) under the Securities Exchange Act of 1934, as amended (Exchange Act). Based on that evaluation, management, including the chief executive officer and chief financial officer, concluded that disclosure controls and procedures are effective as of July 3, 2026.

b) Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting that occurred during the quarter ended July 3, 2026 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

Our subsidiaries and our holding company are subject, from time to time, to a variety of civil and administrative proceedings arising out of our normal operations, including, without limitation, product liability claims, health, safety, and environmental claims, and employment-related actions.

The information presented in the Legal Proceedings section of Note P ("Contingencies") of the Notes to Consolidated Financial Statements (Unaudited) is incorporated herein by reference.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table presents information with respect to repurchases of common stock made by the Company during the three months ended July 3, 2026.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (1)
April 4 through May 8, 2026	—	$ —	—	$ 50,000,000
May 9 through June 5, 2026	—	—	—	50,000,000
June 6 through July 3, 2026	—	—	—	50,000,000
Total	—	$ —	—	$ 50,000,000

(1) On January 14, 2014, the Company announced that its Board of Directors authorized the repurchase of up to $50.0 million of its common stock. On October 29, 2025, the Company announced its Board of Directors had authorized the repurchase of up to $50.0 million of its common stock, which authorization replaced the existing 2014 authorization. During the three months ended July 3, 2026, the Company did not repurchase any shares under this authorization.

Item 4. Mine Safety Disclosures

Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K (17 CFR 229.104) is included in Exhibit 95 to this quarterly report on Form 10-Q.

Item 5. Other Information

During the quarter ended July 3, 2026, no director or officer (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (as each term is defined in Item 408 of Regulation S-K).

Item 6. Exhibits

All documents referenced below were filed pursuant to the Exchange Act by Materion Corporation, file number 001-15885, unless otherwise noted.

31.1	Certification of Chief Executive Officer required by Rule 13a-14(a) or 15d-14(a)*
31.2	Certification of Chief Financial Officer required by Rule 13a-14(a) or 15d-14(a)*
32	Certifications of Chief Executive Officer and Chief Financial Officer required by 18 U.S.C. Section 1350*
95	Mine Safety Disclosure Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act for the period ended July 3, 2026*
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document*
101.SCH	Inline XBRL Taxonomy Extension Schema Document*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in the Exhibit 101 attachments)

*Submitted electronically herewith.

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 thereunto duly authorized.

MATERION CORPORATION

Dated: August 5, 2026

/s/ Shelly M. Chadwick

Shelly M. Chadwick
Vice President, Finance and Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.1

CERTIFICATIONS

I, Jugal K. Vijayvargiya, certify that:

1) I have reviewed this quarterly report on Form 10-Q of Materion Corporation (the “registrant”);

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5) The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Dated: August 5, 2026

/s/ Jugal K. Vijayvargiya

Jugal K. Vijayvargiya
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Shelly M. Chadwick, certify that:

1) I have reviewed this quarterly report on Form 10-Q of Materion Corporation (the “registrant”);

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5) The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Dated: August 5, 2026

/s/ Shelly M. Chadwick

Shelly M. Chadwick
Vice President, Finance and Chief Financial Officer

Exhibit 32

Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in connection with the filing of the Quarterly Report on Form 10-Q of Materion Corporation (the "Company") for the quarter ended July 3, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies that, to such officer's knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)), and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Dated: August 5, 2026

/s/ Jugal K. Vijayvargiya
Jugal K. Vijayvargiya
President and Chief Executive Officer

/s/ Shelly M. Chadwick
Shelly M. Chadwick
Vice President, Finance and Chief Financial Officer

Exhibit 95

Materion Corporation

Mine Safety Disclosure Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act for the Fiscal Quarter Ended July 3, 2026

Materion Natural Resources Inc., a wholly owned subsidiary, operates a beryllium mining complex in the State of Utah which is regulated by both the U.S. Mine Safety and Health Administration ("MSHA") and state regulatory agencies. We endeavor to conduct our mining and other operations in compliance with all applicable federal, state and local laws and regulations. We present information below regarding certain mining safety and health citations which MSHA has levied with respect to our mining operations.

Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Section 1503(a)") requires the Company to present certain information regarding mining safety in its periodic reports filed with the Securities and Exchange Commission.

The following table reflects citations, orders and notices issued to Materion Natural Resources Inc. by MSHA during the fiscal quarter ended July 3, 2026 (the "Reporting Period") and contains certain additional information as required by Section 1503(a) and Item 104 of Regulation S-K, including information regarding mining-related fatalities, proposed assessments from MSHA and legal actions ("Legal Actions") before the Federal Mine Safety and Health Review Commission, an independent adjudicative agency that provides administrative trial and appellate review of legal disputes arising under the Mine Act.

Included below is the information required by Section 1503(a) with respect to the beryllium mining complex (MSHA Identification Number 4200706) for the Reporting Period:

(A)	Total number of alleged violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a mine safety or health hazard under Section 104 of the Mine Act for which Materion Natural Resources Inc. received a citation from MSHA	1
(B)	Total number of orders issued under Section 104(b) of the Mine Act	0
(C)	Total number of citations and orders for alleged unwarrantable failure by Materion Natural Resources Inc. to comply with mandatory health or safety standards under Section 104(d) of the Mine Act	0
(D)	Total number of alleged flagrant violations under Section 110(b)(2) of the Mine Act	0
(E)	Total number of imminent danger orders issued under Section 107(a) of the Mine Act	0
(F)	Total dollar value of proposed assessments from MSHA under the Mine Act	$0
(G)	Total number of mining-related fatalities	0
(H)	Received notice from MSHA of a pattern of violations under Section 104(e) of the Mine Act	No
(I)	Received notice from MSHA of the potential to have a pattern of violations under Section 104(e) of the Mine Act	No
(J)	Total number of Legal Actions pending as of the last day of the Reporting Period	0
(K)	Total number of Legal Actions instituted during the Reporting Period	0
(L)	Total number of Legal Actions resolved during the Reporting Period	0