

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 24pt; font-weight: bold;">2014</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>06/01/2014</u> and ending <u>05/31/2015</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>MATERION CORPORATION PENSION PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>06/01/1959</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>06/01/1959</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>06/01/1959</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>MATERION CORPORATION</u> <u>6070 PARKLAND BOULEVARD</u> <u>MAYFIELD HEIGHTS, OH 44124</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>34-1919973</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>216-486-4200</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>331400</u></td> </tr> <tr> <td style="height: 40px;"></td> </tr> </table>	2b Employer Identification Number (EIN) <u>34-1919973</u>	2c Plan Sponsor's telephone number <u>216-486-4200</u>	2d Business code (see instructions) <u>331400</u>	
2b Employer Identification Number (EIN) <u>34-1919973</u>					
2c Plan Sponsor's telephone number <u>216-486-4200</u>					
2d Business code (see instructions) <u>331400</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	03/15/2016	MICHAEL HASYCHAK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	03/15/2016	MICHAEL HASYCHAK
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:		4b EIN	
a Sponsor's name		4c PN	
5 Total number of participants at the beginning of the plan year		5	2655
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year		6a(1)	1420
a(2) Total number of active participants at the end of the plan year		6a(2)	1323
b Retired or separated participants receiving benefits		6b	843
c Other retired or separated participants entitled to future benefits.....		6c	273
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	2439
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	161
f Total. Add lines 6d and 6e		6f	2600
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h	20
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 3H			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply)		9b Plan benefit arrangement (check all that apply)	
(1) ☐ Insurance		(1) ☒ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts		(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust		(3) ☒ Trust	
(4) ☐ General assets of the sponsor		(4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules		b General Schedules	
(1) ☒ R (Retirement Plan Information)		(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary		(2) ☐ I (Financial Information – Small Plan)	
(3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		(3) ☐ A (Insurance Information)	
		(4) ☒ C (Service Provider Information)	
		(5) ☒ D (DFE/Participating Plan Information)	
		(6) ☐ G (Financial Transaction Schedules)	

Part III**Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2014 or fiscal plan year beginning 06/01/2014 and ending 05/31/2015

Round off amounts to nearest dollar.
Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<div>A Name of plan MATERION CORPORATION PENSION PLAN</div>	<div>B Three-digit plan number (PN) 001</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF MATERION CORPORATION</div>	<div>D Employer Identification Number (EIN) 34-1919973</div>

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 06 Day 01 Year 2014			
2 Assets:			
a Market value	2a	188497346	
b Actuarial value	2b	178130099	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	966	74833775	74833775
b For terminated vested participants	269	8744745	8744745
c For active participants	1420	74165883	83497367
d Total	2655	157744403	167075887
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐		
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	6.52%	
6 Target normal cost	6	4743971	

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<div>SIGN HERE</div>	<div>Signature of actuary</div> <div>MONTY A WESOLOSKI</div> <div>Type or print name of actuary</div> <div>TOWERS WATSON DELAWARE INC</div> <div>Firm name</div> <div>1001 LAKESIDE AVENUE SUITE 1500 CLEVELAND, OH 44114</div> <div>Address of the firm</div>	<div>03/15/2016</div> <div>Date</div> <div>14-07549</div> <div>Most recent enrollment number</div> <div>216-937-4000</div> <div>Telephone number (including area code)</div>
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	12384644
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	5531609
9 Amount remaining (line 7 minus line 8)	0	6853035
10 Interest on line 9 using prior year's actual return of <u>12.19</u> %	0	835385
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		5976743
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.35</u> %		28266
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		674303
c Total available at beginning of current plan year to add to prefunding balance		6679312
d Portion of (c) to be added to prefunding balance		6679312
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	14367732

Part III Funding Percentages		
14 Funding target attainment percentage	14	98.01 %
15 Adjusted funding target attainment percentage	15	106.61 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	91.53 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/17/2015	4000000	0			
09/05/2015	4000000	0			
			Totals ►	18(b)	8000000
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	7315488
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No		
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
0	0	0
		(4) 4th
		0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 64
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	4743971	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	3313520	4805981	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	9549952	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	8269595	8269595
36 Additional cash requirement (line 34 minus line 35).....	36	1280357	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	7315488	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	6035131	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	6035131	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2014
		This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 06/01/2014 and ending 05/31/2015

A Name of plan <u>MATERION CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MATERION CORPORATION</u>	D Employer Identification Number (EIN) <u>34-1919973</u>

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

VICTORY CAPITAL MANAGEMENT INC

PO BOX 74282
CLEVELAND, OH 44194

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	NONE	9269	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

PENSION BENEFIT GUARANTY CORP.

PO BOX 105758
ATLANTA, GA 30348

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
23	NONE	337743	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

FIFTH THIRD CUSTODY

31-1051736

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 26	NONE	79259	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON

53-0181291

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	66250	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

HARTLAND & COMPANY

34-1597728

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
20	NONE	91023	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

INTEGRITY ASSET MANAGEMENT

18500 LAKE ROAD
SUITE 300
ROCKY RIVER, OH 44116

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	NONE	23366	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

JP MORGAN INVESTMENT MANAGEMENT

31-1192865

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	NONE	24197	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

ROBECO INVESTMENT MANAGEMENT, INC.

909 THIRD AVENUE, 32ND FLOOR
NEW YORK, NY 10022

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	NONE	62298	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

THOMPSON HINE

127 PUBLIC SQUARE, #3900
CLEVELAND, OH 44114

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	6411	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2014
		This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning **06/01/2014** and ending **05/31/2015**

A Name of plan MATERION CORPORATION PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 MATERION CORPORATION	D Employer Identification Number (EIN) 34-1919973	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
---------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: **WTC CIF II GROWTH SERIES 1 PORT**

b Name of sponsor of entity listed in (a): **WELLINGTON TRUST COMPANY, NA**

c EIN-PN 04-6913417-028	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10090131
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning 06/01/2014 and ending 05/31/2015		
A Name of plan MATERION CORPORATION PENSION PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 MATERION CORPORATION		D Employer Identification Number (EIN) 34-1919973

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	7	9
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	12000000	8000000
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)	100852	100583
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	5012072	5916934
(2) U.S. Government securities	1c(2)	3920895	3656484
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	376884	456525
(B) All other.....	1c(3)(B)	3516797	11698056
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	12967846	12962638
(5) Partnership/joint venture interests	1c(5)	5911823	5396996
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans.....	1c(8)	0	0
(9) Value of interest in common/collective trusts	1c(9)	8773943	10090131
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	129650535	129218860
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other.....	1c(15)	6500000	6540135

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	188731654	194037351

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	188731654	194037351
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	8000000	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		8000000

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	644	
(B) U.S. Government securities	2b(1)(B)	125578	
(C) Corporate debt instruments	2b(1)(C)	156590	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	34775	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		317587
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	222984	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	4449493	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		4672477
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	13959580	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	14118094	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-158514
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	675325	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		675325

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		1297543
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-108473
c Other income.....	2c		2470
d Total income. Add all income amounts in column (b) and enter total.....	2d		14698415

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	8692902	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		8692902
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)	242943	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	119130	
(4) Other.....	2i(4)	337743	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		699816
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		9392718

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		5305697
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERNST & YOUNG LLP

(2) EIN: 34-6565596

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c			
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
4d			
e Was this plan covered by a fidelity bond?	X		10000000
4e			
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f			
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4g			
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4h			
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X		
4j			
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k			
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2014 This Form is Open to Public Inspection.
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For calendar plan year 2014 or fiscal plan year beginning 06/01/2014 and ending 05/31/2015

A Name of plan <u>MATERION CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MATERION CORPORATION</u>	D Employer Identification Number (EIN) <u>34-1919973</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>31-6243957</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3 <u>4</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a		
b Enter the amount contributed by the employer to the plan for this plan year.....	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?.....	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
--	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 59.1% Investment-Grade Debt: 27.4% High-Yield Debt: 2.1% Real Estate: 0.0% Other: 11.4%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

Materion Corporation Pension Plan

**May 31, 2015 and 2014 and Year ended May 31, 2015
with Report of Independent Auditors**

Materion Corporation Pension Plan

Financial Statements and Supplemental Schedules

May 31, 2015 and 2014 and Year ended May 31, 2015

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Report of Independent Auditors

To the Compensation Committee and Governance
and Organization Committee of the
Materion Corporation Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Materion Corporation Pension Plan, which comprise the statements of net assets available for benefits as of May 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended May 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 4, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of May 31, 2015 and 2014, and for the year ended May 31, 2015, stating that the investment information provided to the plan administrator is complete and accurate.



Disclaimer of Opinion on Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Disclaimer of Opinion on Supplemental Schedules

The accompanying supplemental schedules of assets (held at end of year) as of May 31, 2015, and reportable transactions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Compliance of Form and Content with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Ernst & Young LLP

March 15, 2016

Materion Corporation Pension Plan

Statements of Net Assets Available for Benefits

	May 31,	
	2015	2014
Assets		
Cash, noninterest-bearing	\$ 9	\$ 7
Receivables:		
Employer contributions	8,000,000	12,000,000
Accrued income	100,583	100,852
	<u>8,100,583</u>	<u>12,100,852</u>
Investments, at fair value:		
Interest-bearing cash	5,916,934	5,012,072
U.S. Government agency securities	3,656,484	3,920,895
Corporate bonds - preferred	456,525	376,884
Corporate bonds - other	11,698,056	3,516,797
Pooled Investment Fund	6,540,135	6,500,000
Common stock	12,962,638	12,967,846
Partnership/joint venture interests	5,396,996	5,911,823
Common/collective trusts	10,090,131	8,773,943
Registered investment companies	129,218,860	129,650,535
	<u>185,936,759</u>	<u>176,630,795</u>
 Net assets available for benefits	 <u><u>\$ 194,037,351</u></u>	 <u><u>\$ 188,731,654</u></u>

See accompanying notes.

Materion Corporation Pension Plan

Statement of Changes in Net Assets Available for Benefits

Year ended May 31, 2015

Additions

Contributions:

Employer	\$ 8,000,000
----------	--------------

Investment income:

Net appreciation in fair value of investments	1,705,881
---	-----------

Interest and dividends	4,990,064
------------------------	-----------

Other income	2,470
--------------	-------

	<u>6,698,415</u>
--	------------------

Total additions

	<u>14,698,415</u>
--	-------------------

Deductions

Benefits paid to participants	8,692,902
-------------------------------	-----------

Administrative expenses	699,816
-------------------------	---------

	<u>9,392,718</u>
--	------------------

Net increase

	5,305,697
--	-----------

Net assets available for benefits at beginning of year	188,731,654
--	-------------

Net assets available for benefits at end of year	<u>\$ 194,037,351</u>
--	-----------------------

See accompanying notes.

Materion Corporation Pension Plan

Notes to Financial Statements

May 31, 2015 and 2014 and Year ended May 31, 2015

1. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Materion Corporation (Company and Plan Administrator) Pension Plan (Plan) are prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition

Investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 8 for further discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

401(h) Account

Effective January 1, 2000, the Plan was amended to include a health and welfare component in addition to normal retirement benefits to fund a portion of the post-retirement obligations for retirees and their beneficiaries in accordance with Section 401(h) of the Internal Revenue Code. A separate account has been established and maintained in the Plan for such net assets. In accordance with Internal Revenue Code Section 401(h) and subject to Internal Revenue Code Section 420, the Plan's investment in the 401(h) account may not be used for, or diverted to, any purpose other than providing health and welfare plan's benefits for retirees and their beneficiaries. Any assets transferred to the 401(h) account from the defined benefit pension plan in a qualified transfer of excess pension plan assets (and any income allocable thereto) that are not used during the taxable year of the transfer must be transferred out of the account to the general assets of the Plan. The related obligations for health benefits are not a component of this Plan's accumulated plan benefits obligation. Qualified transfers to the 401(h) account are determined annually and are at the discretion of the Company. Excess pension assets shall not be transferred in any taxable year beginning after December 31, 2021 and no contributions shall be made to the 401(h) account. There have not been any qualified transfers to the 401(h) account since 2001. There is no balance in the 401(h) account at May 31, 2015 and 2014.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Payment of Benefits

Benefits are recorded when paid.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note 3) are those estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries. Benefits are based on employees' credited service and other factors. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements, accompanying notes and supplemental schedules. Actual results could differ from those estimates.

New Accounting Pronouncements

In May 2015, the FASB issued Accounting Standards Update 2015-07, *Disclosures for Investments in Certain Entities that Calculate Net Asset Value Per Share (or its Equivalent)*, (ASU 2015-07). ASU 2015-07 removes the requirement to categorize within the fair value hierarchy investments for which fair values are estimated using the net asset value practical expedient provided by Accounting Standards Codification 820, *Fair Value Measurement*. Disclosures about investments in certain entities that calculate net asset value per share are limited under ASU 2015-07 to those investments for which the entity has elected to estimate the fair value using the net asset value practical expedient. ASU 2015-07 is effective for entities (other than public business entities) for fiscal years beginning after December 15, 2016, with retrospective application to all periods presented. Early application is permitted. Management is currently in the process of evaluating the impact that the standard will have on the financial statements.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans*

(Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I of the ASU eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II of the ASU eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. It also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III of the ASU allows a plan with a fiscal year end that doesn't coincide with the end of a calendar month to measure its investments and investment-related accounts using the month end closest to its fiscal year end. The ASU is effective for fiscal years beginning after December 15, 2015. Parts I and II are to be applied retrospectively. Part III is to be applied prospectively. Plans can early adopt any of the ASU's three parts without early adopting the other parts. Management is currently in the process of evaluating the impact that the standard will have on the financial statements.

Subsequent Events

Management evaluated subsequent events for the Plan through March 15, 2016, the date the financial statements were available to be issued.

The Plan was amended effective January 1, 2016, to provide a temporary six month lump sum payment option following separation from employment for any participant whose present value does not then exceed \$100,000. During the temporary election period an immediate annuity form of payment is also available as required by law; the Plan's other methods of payment are not affected by this amendment.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

2. Description of Plan

The Plan is a defined benefit plan which covers the majority of employees of Materion Corporation and certain of its wholly owned subsidiaries and related affiliates and provides for retirement and disability retirement benefits. This Plan also provides death benefits.

The Company's present intention is to make contributions in amounts that would satisfy the Employee Retirement Income Security Act of 1974 (ERISA) minimum funding requirements, not to exceed maximum tax-deductible amounts. The Plan has met the ERISA minimum funding requirements for 2015 and 2014.

Should the Plan terminate, the net assets of the Plan will be allocated for payment to the participants in an order of priority as prescribed by ERISA and its related regulations and the plan document. Should the Plan terminate at some future time, its net assets will generally not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefits Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guarantee, while other benefits may not be provided for at all.

Information about the Plan's vesting and benefit provisions and the PBGC's benefit guarantee is contained in the Summary Plan Description (SPD). Participants should refer to the plan document and SPD for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Administrator.

In 2007, the Board of Directors of Materion Corporation authorized the Company to amend the Plan. This amendment is effective for all Materion hourly participants who terminate employment on or after April 1, 2007. Based on the amendment, the benefit unit per each year of credited service was increased by \$1 for all years of service.

In 2010, the Board of Directors of Materion Corporation authorized the Company to amend the Plan. This amendment is effective for all Materion employees who have met the eligibility conditions for early retirement (age 55 with 10 years of service) or normal retirement (age 65 with 5 years of service) and die while employed. Based on this amendment, this individual is deemed to have elected the 100% joint and survivor form of his or her pension benefit. His or her spouse would then receive the same reduced monthly pension that the employee would have received if they had survived and elected to commence their pension benefit under this option.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

2. Description of Plan (continued)

In 2012, the Board of Directors of Materion Corporation authorized the Company to amend the Plan. This amendment closed the plan to all employees hired or rehired on or after May 26, 2012. Employees hired prior to May 26, 2012 at covered locations continue to participate in the plan and to accrue future benefits. A second amendment, authorized in late 2012 and executed in 2013, allowed participants who had terminated from the Company prior to December 1, 2012 and who were entitled to but had not yet commenced a future monthly pension benefit as of January 1, 2013, a one-time opportunity to elect to receive either a lump sum payment payable May 1, 2013 in lieu of their future monthly pension benefit or the immediate commencement of their monthly pension benefit, payable beginning May 1, 2013, with such monthly pension benefit calculated to be actuarially equivalent to the lump sum payment.

The actuarial present value of accumulated plan benefits at May 31, 2015 and 2014 reflect these amendments.

3. Accumulated Plan Benefits

Consulting actuaries from Towers Watson estimated the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The accumulated plan benefit information as of the end of each plan year is as follows:

	May 31	
	2015	2014
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants receiving benefits	\$ 76,859,195	\$ 72,766,757
Other participants	76,389,578	75,293,737
	153,248,773	148,060,494
Non-vested accumulated benefits	8,632,949	8,023,443
	\$ 161,881,722	\$ 156,083,937

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

3. Accumulated Plan Benefits (continued)

The changes in the accumulated plan benefits for the current plan year are as follows:

	Year Ended May 31 2015
Actuarial present value of accumulated benefits at beginning of year	\$ 156,083,937
Changes during the year due to:	
Benefits accumulated	3,814,788
Actuarial (gains)/losses	(183,080)
Decrease in the discount period	11,248,540
Actual benefits paid	(8,692,902)
Assumption changes	(389,561)
Net increase	5,797,785
Actuarial present value of accumulated benefits at year end	\$ 161,881,722

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

3. Accumulated Plan Benefits (continued)

Significant assumptions underlying the actuarial computation are:

Rate of return	7.25% as of May 31, 2015 and May 31, 2014
Retirement	<i>Salaried, TMI, AMTS and Brewster Participants</i> —As of May 31, 2015 and May 31, 2014, 25% per year from age 65-69, with the remainder retiring at age 70, except employees who will have 30 years of service prior to age 65 are assumed to retire at age 63 or completion of 30 years of service, whichever is later. <i>Hourly Participants</i> —As of May 31, 2015 and May 31, 2014, for Newburyport and Tucson employees, 25% per year from age 65-69, with the remainder retiring at age 70. For all other employees, 25% per year from age 65-69, with the remainder retiring at age 70, except employees who will have 30 years of service prior to age 65 are assumed to retire based on a decrement schedule.
Actuarial cost method	Projected Unit Credit Cost Method
Mortality basis	RP-2014 Healthy Mortality Tables (with separate rates for males and females) with generational projection using Scale MP-2015 from 2006 (the base year of the study) at May 31, 2015 and Scale MP-2014 at May 31, 2014.

These actuarial assumptions were based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

4. Investments

All investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at May 31, 2015 and 2014, and net appreciation in fair value of investments and interest and dividends for the year ended May 31, 2015, was obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by Fifth Third Bank, the trustee.

During the year ended May 31, 2015, the Plan's investments (including investments purchased, sold, as well as held during the year) appreciated (depreciated) in fair value as follows:

Shares of registered investment companies	\$ (108,473)
Common collective trust	1,297,543
Common stock	929,240
U.S. Government agency securities	28,232
Corporate bonds	(67,683)
Pooled Investment Funds	40,135
Partnership/joint venture interests	(413,113)
	<u>\$ 1,705,881</u>

Investments that represent 5% or more of fair value of the Plan's net assets are as follows:

	May 31	
	2015	2014
Vanguard Institutional Index Fund #94	20,603,718	19,794,677
William Blair Institutional International Growth Fund	14,455,622	9,838,534
DFA 5 Year Global Fixed Income	14,135,812	11,850,606
Loomis Sayles Global Bond Fund	12,550,317	11,341,448
Vanguard S&P MidCap 400 Index Fund	12,409,228	12,403,546
DFA International Value Fund #45	12,103,188	11,153,048
WTC CIF II Growth Port	10,090,131	*

*This value was less than 5% of the Plan's net assets in the respective year. It is being shown for comparative purposes only.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

5. Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated June 23, 2014 stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (IRC), and therefore, the related trust is exempt from taxation. Subsequent to this issuance of the determination letter and as noted in the Subsequent Events section, the Plan was amended to reflect regulatory guidance. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualified status. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of May 31, 2015, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2011.

6. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

7. Allocated Insurance Contracts

During the plan year ended 1989, the Egbert Corporation Retirement Plan for Salaried Employees and the Egbert Corporation Retirement Plan for Hourly Employees (Egbert Plans) merged with the Plan. Net assets approximating \$7,100,000 were transferred to the Plan from the Egbert Plans. Prior to the merger, annuities of approximately \$14,300,000 were purchased to satisfy obligations to the participants of the Egbert Plans. During the 1991 Plan year, additional annuities of \$81,490 were purchased. The annuities are excluded from the net assets of the Plan.

8. Fair Value Measurements

Fair value is defined under ASC 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). To measure fair value, a hierarchy has been established that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. As such, the hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy in ASC 820 are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets and liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Observable inputs other than quoted prices that are used in the valuation of the asset or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity. Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measure in its entirety.

Following is a description of the valuation techniques and inputs used for each major class of assets and liabilities measured at fair value.

Registered investment companies — Valued based on observable market quotations for identical assets and priced on a daily basis at the close of business

Common/collective trusts — Valued at estimated fair values, which have been determined based on the net asset value (NAV) per unit of the funds

Common stock — Valued at the closing price reported on the active market on which the individual securities are traded

U.S. government agency securities and corporate bonds — Valued at fair value, which is estimated using evaluated bids from third parties using observable market inputs such as matrix pricing or broker quotes

Partnership/joint venture interests — Valued using NAV, which approximates fair value. NAV is based on the unit values of the interests. Unit values are determined by the issuer sponsoring such interests by dividing the fund's net assets at fair value by its units outstanding at the valuation dates. The Plan Sponsor has an appointed Investment Committee that is responsible for determining the Plan's asset allocation and oversight of the investments held by the Plan. The Investment Committee meets quarterly and monitors all investment activity by reviewing fund performance of existing funds. All new limited partnership investments are authorized by the Investment Committee. The Plan Sponsor is responsible for determining the Plan's valuation policies and analyzing information that is used to determine the fair value of the limited partnerships held by the Plan. The Plan Sponsor monitors all limited partnership activity by reviewing fund performance of existing funds and performing due diligence for potential

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

future investments. As an extra level of security, the Plan Sponsor also utilizes the services of an investment consultant to monitor fund performance.

Pooled Investment Funds - Valued at fair value estimated by the issuer, which has been determined based on the unit values of these funds. Unit values are determined by dividing the net asset value by the total units held by the Plan at year-end. The Plan Sponsor has an appointed Investment Committee that is responsible for determining the Plan's asset allocation and oversight of the investments held by the Plan. The Investment Committee meets quarterly and monitors all investment activity by reviewing fund performance of existing funds. All new pooled investment funds are authorized by the Investment Committee. The Plan Sponsor is responsible for determining the Plan's valuation policies and analyzing information that is used to determine the fair value of the pooled investment funds held by the Plan. The Plan Sponsor monitors all pooled investment fund activity by reviewing fund performance of existing funds and performing due diligence for potential future investments. As an extra level of security, the Plan Sponsor also utilizes the services of an investment consultant to monitor fund performance.

Interest-bearing cash — Valued at amortized cost, which approximates fair value

Noninterest-bearing cash — Valued at original cost, which approximates fair value

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

The following table summarizes the Plan's assets measured at fair value as of May 31, 2015:

Description	May 31, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Registered investment companies				
Small Cap	\$ 3,505,419	\$ 3,505,419	\$ -	\$ -
Mid Cap	12,409,228	12,409,228	-	-
Large Cap	20,603,718	20,603,718	-	-
Emerging Market	13,659,846	13,659,846	-	-
International	30,105,344	30,105,344	-	-
Real Estate	6,360,531	6,360,531	-	-
Fixed Income	33,714,956	33,714,956	-	-
Absolute Return	8,859,818	8,859,818	-	-
Total registered investment companies	129,218,860	129,218,860	-	-
Common/collective trusts				
U.S. Equity (a)	10,090,131	-	10,090,131	-
Common stock (U.S.)	12,962,638	12,962,638	-	-
Corporate bonds (investment grade)	12,154,581	-	12,154,581	-
Partnership/joint venture interests (b)	5,396,996	-	-	5,396,996
U.S. Government agency securities	3,656,484	-	3,656,484	-
Pooled investment funds (c)	6,540,135	-	-	6,540,135
Interest-bearing cash (d)	5,916,934	5,916,934	-	-
Non-interest-bearing cash	9	9	-	-
Total investments	<u>\$185,936,768</u>	<u>\$148,098,441</u>	<u>\$25,901,196</u>	<u>\$ 11,937,131</u>

(a) The fund's investment objective is to seek long term growth of capital by investing primarily in a wide variety of domestic equity securities. It invests in "growth" securities, primarily in issuers with large-market capitalizations at the time of investment. There are no redemption restrictions on the fund.

(b) Venture capital investments in start-up companies (<1%) as well as established rapidly growing companies (5%) and hedge funds that invest in yield oriented, defensive and uncorrelated investments (95%). For each of the partnerships, the Plan may withdraw up to 100% of the value of the capital account, upon at least 30 days written notice. The plan has no future funding commitments associated with these investments.

(c) The investment objective of this fund is to achieve attractive returns by investing in pooled investment vehicles. The current share class has a two-year lock-up period, after which time Materion can move to a two or one-year lock-up period, or fully redeem the shares. The plan has no future funding commitments associated with these investments.

(d) Money market funds that invest in U.S. dollar denominated securities with an income objective that seek to preserve the value of the investment at \$1.00 per share.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

The following table summarizes the Plan's assets measured at fair value as of May 31, 2014:

Description	May 31, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Registered investment companies				
Small Cap	\$ 3,826,923	\$ 3,826,923	\$ -	\$ -
Mid Cap	12,403,546	12,403,546	-	-
Large Cap	19,794,677	19,794,677	-	-
Emerging Market	14,360,183	14,360,183	-	-
International	24,569,747	24,569,747	-	-
Real Estate	5,916,177	5,916,177	-	-
Fixed Income	37,722,237	37,722,237	-	-
Money Market	2,187,055	2,187,055	-	-
Absolute Return	8,869,990	8,869,990	-	-
Total registered investment companies	129,650,535	129,650,535	-	-
Common/collective trusts				
U.S. Equity (a)	8,773,943	-	8,773,943	-
Common stock (U.S.)	12,967,846	12,967,846	-	-
Corporate bonds (investment grade)	3,893,681	-	3,893,681	-
Partnership/joint venture interests (b)	5,911,823	-	-	5,911,823
U.S. Government agency securities	3,920,895	-	3,920,895	-
Pooled investment funds (c)	6,500,000	-	-	6,500,000
Interest-bearing cash (d)	5,012,072	5,012,072	-	-
Non-interest-bearing cash	7	7	-	-
Total investments	<u>\$176,630,802</u>	<u>\$147,630,460</u>	<u>\$16,588,519</u>	<u>\$ 12,411,823</u>

(a) The fund's investment objective is to seek long term growth of capital by investing primarily in a wide variety of domestic equity securities. It invests in "growth" securities, primarily in issuers with large-market capitalizations at the time of investment. There are no redemption restrictions on the fund.

(b) Venture capital investments in start-up companies (<1%) as well as established rapidly growing companies (12%) and hedge funds that invest in yield oriented, defensive and uncorrelated investments (88%). For each of the partnerships, the Plan may withdraw up to 100% of the value of the capital account, upon at least 30 days written notice. The plan has no future funding commitments associated with these investments.

(c) The investment objective of this fund is to achieve attractive returns by investing in pooled investment vehicles. The current share class has a two-year lock-up period, after which time Materion can move to a two or one-year lock-up period, or fully redeem the shares. The plan has no future funding commitments associated with these investments.

(d) Money market funds that invest in U.S. dollar denominated securities with an income objective that seek to preserve the value of the investment at \$1.00 per share

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

For partnership/joint venture interests measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during plan year ended May 31, 2015, a reconciliation of the beginning and ending balances is as follows:

	Partnership/Joint Venture Interests
Beginning balance, June 1, 2014	\$ 5,911,823
Realized gain	11,135
Unrealized loss relating to investments still held at the reporting date	(424,248)
Sales	(101,714)
Ending balance, May 31, 2015	<u>\$ 5,396,996</u>

For pooled investment funds measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during plan year ended May 31, 2015, a reconciliation of the beginning and ending balances is as follows:

	Pooled Investment Fund
Beginning balance, June 1, 2014	\$ 6,500,000
Purchases	-
Realized gain (loss)	-
Unrealized gain relating to investments still held at the reporting date	40,135
Sales	-
Ending balance, May 31, 2015	<u>\$ 6,540,135</u>

Supplemental Schedules

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Wells Fargo Advanced Government MMF/Institutional 1751	2,187,274 units	2,187,274	2,187,274
Federated Prime Cash Obligations Fund Institutional Shares	159,345 units	159,345	159,345
Federated Treasury Obligations Fund Institutional Shares	3,570,315 units	3,570,315	3,570,315
Federal National Meeting Association DTD 10/9/84 0% 10/9/19	95,000 par	85,339	87,245
U.S. Treas N/B DTD 8/16/93 6.25% 8/15/23	285,000.00 par	315,273	378,383
U.S. Treas N/B DTD 2/15/96 6.00% 2/15/26	75,000.00 par	97,313	102,738
U.S. Treas N/B DTD 2/15/01 5.375% 2/15/31	250,000 par	283,313	344,745
U.S. Treas Bond DTD 8/15/09 4.5% 8/15/39	365,000 par	453,451	475,040
U.S. Treas N/B DTD 5/15/06 5.125% 5/15/16	200,000 par	238,664	209,156
U.S. Treas N/B DTD 5/15/07 4.5% 5/15/17	350,000 par	391,097	376,443
U.S. Treas NTS DTD 6/1/10 2.75% 5/31/17	900,000 par	914,414	938,106
U.S. Treas Note DTD 10/31/11 1.75% 10/31/18	150,000 par	155,666	153,341
U.S. Treas Note DTD 5/15/02 1.75% 5/15/22	450,000 par	427,166	447,399
U.S. Treas Note NTS DTD 7/01/13 1.375% 6/30/18	100,000 par	99,105	101,203
Tennessee Valley Authority DTD 7/23/97 5.88% 4/1/36	25,000 par	30,956	33,389
Americredit Automobile 6/12/14 .94 2/08/19	100,000 units	99,469	99,775
GE CAP CR CARD Master NT TR DTD 8/29/12 1.360 8/15/20	125,000 units	123,721	125,176
Morgan Stanley Cap I DTD 3/1/12 3.773% 3/17/45	100,000 units	100,688	106,510
Volkswagen Auto Lease Trust DTD 2/12/14 .800% 4/20/17	125,000 units	124,878	125,064
ABB Fin USA Inc DTD 5/8/12 2.875% 5/8/22	35,000 par	36,199	35,254
AT&T Corp DTD 5/15/02 8% 11/15/31	30,000 par	37,910	41,864
AT&T Inc 8/18/11 5.550 8/15/41	15,000 par	16,879	15,887
Abbvie Inc SR NT 5/14/15 3.200 11/6/22	2,000 par	1,996	2,009
Ace Ina Hldg Inc 6/8/09 5.900 6/15/19	30,000 par	33,695	34,387
Amazon Com Inc 12/5/14 3.300 12/5/21	10,000 par	9,963	10,289
Amerada Hess Corp DTD 3/5/02 7.125% 3/15/33	15,000 par	19,970	18,266
American Express Co 3/19/08 7.00 3/19/18	30,000 par	35,630	34,310
American Intl Group 10/18/06 5.600 10/18/16	30,000 par	32,926	31,816
American Tower Corp 12/7/10 4.500 1/15/18	5,000 par	5,414	5,333
Ameriprise Finl Inc DTD 3/11/10 5.3% 3/15/20	20,000 par	22,887	22,898
Amgen Inc. Sr Note DTD 1/16/09 5.7% 2/1/19	10,000 par	9,978	11,300
Anadarko Pete Corp DTD 3/5/09 8.7% 3/15/19	30,000 par	29,670	36,577
Anheuser-Busch InBev Wor DTD 3/14/11 7.75% 1/15/19	20,000 par	26,416	23,970
Aon Corp DTD 9/10/10 3.5% 9/30/15	2,000 par	1,990	2,019
Apache Corp Sr Note DTD 12/3/10 3.625% 2/1/21	10,000 par	10,782	10,451
Appalachian Pwr Co DTD 3/25/08 7% 4/1/38	35,000 par	47,212	46,215
Apple Inc Sr Nt 12/3/10 3.625 2/1/21	30,000 par	29,895	28,669
Arrow Electrs Inc 1/22/97 7.500 1/15/27	25,000 par	30,142	29,553
Arrow Electrs Inc DTD 6/3/98 6.875% 6/1/18	30,000 par	32,449	33,642
Atmos Energy Corp DTD 3/26/09 8.5% 3/15/19	20,000 par	19,963	24,505
Baltimore Gas & Electric Co DTD 8/17/12 2.8% 8/15/22	15,000 par	15,150	15,098
Bank of Amer Corp DTD 6/2/09 7.625% 6/1/19	60,000 par	73,721	71,964
Bank of Amer Corp Sr Nt 1/11/13 3.300 1/11/23	50,000 par	50,642	50,094
Bank of New York Inc Med Term DTD 11/16/09 4.6% 1/15/20	20,000 par	19,961	22,189
Bed Bath Beyond Inc 7/17/14 3.749 8/1/24	25,000 par	26,095	25,470
Bellsouth Cap Fndg DTD 2/16/00 7.875 Due 2/15/30	5,000 par	6,937	6,373
Berkshire Hathaway Fin Corp DTD 1/31/12 3.4 1/31/22	20,000 par	20,798	21,151
Biogen Idec Inc 3/4/08 6.875 3/1/18	10,000 par	11,597	11,427
Blackrock Inc DTD 3/18/14 3.500 3/18/24	15,000 par	15,897	15,603
Boeing Co DTD 7/7/93 7.25% 6/15/25	30,000 par	35,170	40,034
Bunge Ltd Fin Corp DTD 6/9/09 8.5% 6/15/19	35,000 par	35,896	42,728
Burlington Northern DTD 5/19/11 5.400 6/1/41	25,000 par	30,373	28,758
CBS Corp DTD 3/2/12 3.375% 3/1/22	10,000 par	9,869	10,060

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets (Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
CME Group Inc Sr Nt DTD 9/9/13 5.3% 9/15/43	10,000 par	9,982	11,781
CSX Corp DTD 4/25/07 5.6% 5/1/17	31,000 par	36,629	33,610
Capital One Financial Co DTD 8/29/06 6.15% 9/1/16	60,000 par	59,995	63,673
Caterpillar Fin Serv DTD 9/26/08 7.05% 10/1/18	10,000 par	9,967	11,739
Caterpillar Finl Svcs Corp DTD 2/12/09 7.15% 2/15/19	25,000 par	32,366	29,727
Centerpoint Energy Res Corp DTD 10/23/07 6.125% 11/1/17	10,000 par	9,966	11,090
Citigroup Inc DTD 3/5/08 6.875% 3/5/38	30,000 par	32,145	39,722
Citigroup Inc DTD 5/12/08 6.125 5/15/18	30,000 par	34,248	33,594
Daimler-Chrysler DTD 1/18/01 8.50% 1/18/31	25,000 par	38,020	38,142
Deere John Cap Corp Med DTD 2/27/12 2.75% 3/15/22	35,000 par	35,128	35,293
Deutsche Telekom Int Fin 8.75% 6/15/30	30,000 par	40,689	44,276
Diageo Cap plc DTD 10/26/07 5.75% 10/23/17	25,000 par	25,781	27,628
Diamond Offshore Drilling Inc 11/5/13 3.450 11/1/23	20,000 par	19,219	19,406
DirecTV Hldgs LLC/DirecTV Sr DTD 3/7/11 5% 3/1/21	30,000 par	30,419	33,036
Dow Chem Co DTD 5/6/08 5.7% 5/15/18	11,000 par	12,143	12,277
Duke Cap Corp 6/28/99 8.00 10/1/19	10,000 par	12,573	11,997
ERP Operating LP DTD 6/4/04 5.75% 6/15/17	15,000 par	14,874	16,333
ERP Operating LP DTD 12/12/11 4.625% 12/15/21	4,000 par	3,985	4,419
Eaton Corp DTD 3/16/09 6.95% 3/20/19	35,000 par	39,521	41,080
Ebay Inc DTD 7/24/12 2.6% 7/15/22	15,000 par	13,908	14,282
Energy Transfer Partners 1/22/13 3.600 2/1/23	13,000 par	12,884	12,654
Enterprise Prods Oper LLC Sr Nt 2/12/14 5.100 2/15/45	25,000 par	27,736	25,943
Exelon Corp DTD 6/9/05 4.9% 6/15/15	15,000 par	13,465	15,021
Fedex Corp Sr Nt 1/9/15 3.900 2/1/35	15,000 par	14,976	14,225
Freeport-McMoran 11/14/14 4.550 11/14/24	30,000 par	28,151	28,760
General Elec Cap Corp DTD 3/20/02 6.75% 3/15/32	80,000 par	93,004	107,806
Georgia Power Co Sr Note Ser 2010C .220 9/1/40	7,000 par	6,933	7,531
GlaxoSmithKline Cap Inc DTD 5/13/08 5.65% 5/15/18	20,000 par	21,899	22,465
Goldman Sachs DTD 2/13/03 6.125% 2/15/33	35,000 par	37,737	43,072
Goldman Sachs Group Inc DTD 7/27/11 5.25% 7/27/21	75,000 par	83,877	84,638
The Goldman Sachs Group Inc DTD 1/23/15 3.500 1/23/25 Opt Call 10/23/2024 @ 100.00	2,000 par	1,999	1,983
HCP Inc Sr Note DTD 1/24/11 5.375% 2/1/21	35,000 par	40,227	39,199
Halliburton Co DTD 11/14/11 3.25% 11/15/21	36,000 par	39,383	37,439
IBM DTD 10/30/95 7% 10/30/25	30,000 par	34,035	39,487
Kansas City Pwr & Lt Co DTD 3/24/09 7.15% 4/1/19	16,000 par	20,542	19,015
KeyCorp Med Term Sr Notes DTD 3/24/11 5.1% 3/24/21	39,000 par	44,841	43,934
Kimberly-Clark DTD 8/11/05 4.875% 8/15/15	15,000 par	14,757	15,136
Kroger Co DTD 5/11/01 7.5% 4/1/31	30,000 par	39,331	39,931
Kroger Co Sr Note DTD 7/13/10 5.4% 7/15/40	30,000 par	31,952	34,387
Lockheed Martin Corp 9/9/11 3.350 9/15/21	25,000 par	26,025	26,363
Lowes Companies Inc DTD 11/23/11 3.8% 11/15/21	15,000 par	15,149	16,249
Mufg Amers Hldgs Corp 2/10/15 3.000 2/10/25	15,000 par	14,920	14,560
Marathon Oil Corp DTD 3/4/02 6.8% 3/15/32	30,000 par	34,546	36,048
May Dept Stores DTD 7/20/04 6.65% 7/15/24	15,000 par	18,424	18,613
Metlife Inc DTD 6/23/05 5.7% 6/15/35	35,000 par	41,153	42,715
MidAmerican Energy Co DTD 3/25/08 5.3% 3/15/18	35,000 par	34,901	38,670
Morgan Stanley DTD 7/28/11 5.5% 7/28/21	60,000 par	68,821	68,734
Morgan Stanley DTD 3/22/12 4.75% 3/22/17	30,000 par	32,340	31,803
Morgan Stanley DTD 1/27/15 4.3% 1/27/45	5,000 par	4,963	4,848
National Oilwell Varco Inc Sr Nt 11/20/12 2.600 12/01/22	25,000 par	24,235	24,265
National Rural Utility Corp DTD 10/30/08 10.375% 11/1/18	35,000 par	46,830	44,869
NBC Universal Media LLC 4/1/11 4.375 4/1/21	25,000 par	28,033	27,478
Norfolk Southern Corp 7.25% 2/15/31	15,000 par	16,634	20,255

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Nucor Corp DTD 7/29/13 4.00 8/1/23	15,000 par	15,678	15,586
Oracle Corp DTD 4/9/08 5.75% 4/15/18	20,000 par	19,991	22,417
PNC Finl Svcs Group Inc Sub NT 4/28/14 3.900 4/29/24 Opt Call 3/29/24 @ 100	30,000 par	31,290	31,108
Pacific Gas & Elec Co DTD 3/6/09 6.25% 3/1/39	35,000 par	45,719	44,620
Principal Financial Group Inc DTD 5/21/09 8.875%5/15/19	15,000 par	20,411	18,665
Principal Financial Group Inc DTD 11/16/12 3.125% 5/15/23	15,000 par	14,979	14,844
Public Ser Colo DTD 8/13/08 6.5% 8/1/38	35,000 par	47,687	48,534
Raymond James Finl Inc 8/20/09 8.600 8/15/19	15,000 par	19,080	18,444
Republic Svcs Inc Sr Note DTD 3/15/10 5.5% 9/15/19	20,000 par	23,910	22,606
Ryder Sys Inc Med Term Notes DTD 2/26/13 2.35% 2/26/19	17,000 par	16,981	17,086
San Diego Gas DTD 5/19/05 5.35% 5/15/35	60,000 par	54,179	71,368
Simon Property Group LP DTD 3/25/09 10.35% 4/1/19	30,000 par	41,834	38,501
Southern Power Company DTD 7/16/13 5.25% 7/15/43	6,000 par	5,983	6,704
Spectra Energy Cap LLC 2/28/13 3.300 3/15/23	10,000 par	9,422	9,406
State Street Corp 11/19/13 3.700 11/20/23	15,000 par	16,230	15,899
TD Ameritrade Hldg Corp DTD 11/25/09 5.6% 12/1/19	15,000 par	17,882	17,269
Time Warner Entertainment Co. LP Sr Debt 8.375% 3/15/23	15,000 par	17,705	18,839
Time Warner Inc. DTD 4/1/11 4.75% 3/29/21	30,000 par	29,976	33,055
Toyota Motor CR Corp Med Term DTD 9/16/11 3.4% 9/15/21	35,000 par	34,912	37,394
Travelers Companies Inc DTD 6/2/09 5.9% 6/2/19	35,000 par	36,981	40,336
United Parcel Service Inc DTD 1/15/08 5.5% 1/15/38	15,000 par	20,358	19,361
US Bancorp Mtn 1/30/14 3.700 1/30/24 Opt Call 12/29/23 @ 100	25,000 par	26,972	26,466
UnitedHealth Group Inc DTD 11/10/11 3.375% 11/15/21	35,000 par	36,911	36,741
Verizon Communications Inc 9/18/13 3.650 9/14/18	40,000 par	42,694	42,167
Verizon Communications Inc 9/18/13 6.550 9/15/43	50,000 par	62,562	60,734
Virginia Elec & Pwr Co 2/7/14 3.450 2/15/24	15,000 par	15,354	15,676
Walmart Stores Inc DTD 10/14/93 6.75% 10/15/23	30,000 par	33,948	38,484
Wells Fargo & Co New DTD 9/15/10 Step Cpn 6/15/16	80,000 par	81,468	81,178
Xerox Corp 4/28/08 6.350 5/15/18	10,000 par	11,376	11,221
FN 254378 DTD 6/1/02 6.5% 7/1/32	7,862 units	22,246	9,296
Aon PLC 5/28/14 3.500 6/14/24	25,000 units	24,515	25,159
Actavis Funding SCS 3/12/15 3.800 3/15/25	50,000 units	51,416	50,351
BP CAP MKTS PLC GTD NT DTD 3/8/11 4.742% 3/11/21	15,000 par	15,000	16,909
Canadian Pacific Railway Co DTD 5/15/09 7.25% 5/15/19	30,000 par	38,315	35,677
Covidien Intl Fin S A Sr Nt 5/16/13 2.950 6/15/23	30,000 par	30,044	29,911
Deutsche Bank London Sr Note DTD 8/29/07 6.0% 9/1/17	25,000 par	28,835	27,390
Ensco PLC 3/12/15 5.200 3/15/25	3,000 par	2,989	3,093
HSBC Hldgs plc DTD 11/17/11 4.875% 1/14/22	50,000 par	56,612	55,922
Invesco Finance PLC 11/8/12 3.125 11/30/22	30,000 par	29,893	30,206
Noble Hold Int Ltd 3/16/15 4.00 3/16/18	15,000 par	15,374	15,409
Norsk Hydro ASA DTD 11/17/95 7.15% 11/15/25	25,000 par	35,279	33,444
Petrobras International Finance Co DTD 1/27/11 5.375% 1/27/21	35,000 par	38,259	34,143
Petroleos Mexicanos 7/24/12 4.875 1/24/22	50,000 par	53,379	52,563
Rio Tinto Financial USA Ltd DTD 4/17/09 9% 5/1/19	10,000 par	13,731	12,591
Shell International Fin DTD 12/11/08 6.375% 12/15/38	25,000 par	24,903	32,492
Suncor Energy Inc 6/28/07 6.500 6/15/38	15,000 par	19,265	18,832
Telefonica Emisiones S A 4/26/10 5.1340 4/27/20	15,000 par	16,875	16,680
Thomson Reuters Corp DTD 9/29/09 4.7% 10/15/19	30,000 par	29,895	32,949
Total Cap CDA Ltd 1/17/13 2.750 7/15/23	30,000 par	30,377	29,608
TransCanada Corp DTD 1/10/91 9.875% 1/1/21	10,000 par	15,169	13,495
TransCanada Pipelines DTD 1/9/09 7.125% 1/15/19	15,000 par	15,241	17,572
Vodafone Group plc DTD 6/10/09 5.45% 6/10/19	35,000 par	41,698	39,153
Westpac Banking DTD 11/19/09 4.875% 11/19/19	35,000 par	35,399	39,323

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
DFA 5 yr Global Fixed Income	1,274,645 par	14,519,888	14,135,812
JPMorgan Mtge Back Secs Fd-UL	617,105 par	6,587,684	7,028,827
Loomis Sayles Global Bond	822,972 par	13,040,439	12,550,317
Huntsman Corp	3,039 shares	77,348	68,195
Quaker Chemical Corp	361 shares	13,235	30,822
Crown Holdings	1,209 shares	52,949	66,846
Boise Cascade Co	761 shares	21,739	26,970
International Paper Co	1,301 shares	60,152	67,431
Meadwestvaco Corp	1,107 shares	56,483	55,948
Barrick Gold Corp	3,032 shares	52,748	35,960
Kaiser Aluminum Corp	287 shares	16,785	23,284
Stillwater Mng Co	1,468 shares	21,283	21,271
Dycom Industries Inc	254 shares	3,001	14,625
Emcor Group Inc	692 shares	23,733	31,396
Primoris Services Corp	1,081 shares	18,067	20,290
Energysys	680 shares	30,762	45,315
Covenant Trans Inc Nev	646 shares	20,014	19,968
Knight Transportation Inc	872 shares	18,862	24,939
Saia Inc	842 shares	20,816	34,471
Ingersoll Rand Plc	731 shares	45,594	50,278
Actuant Corp - CL A	1,020 shares	25,755	23,970
Crane Co	507 shares	34,897	30,689
Greenbrier Cos Inc	379 shares	22,361	22,827
Harsco Corp	1,190 shares	20,149	19,171
Meritor Inc	2,213 shares	29,975	31,668
Wabash National Corp	2,105 shares	23,858	28,502
Delta Air Lines	2,260 shares	83,288	96,999
Hawaiian Hldgs Inc	1,024 shares	23,590	24,801
United Contl Hldgs Inc	1,233 shares	63,417	67,309
AAR Corp	600 shares	11,260	17,724
Aerjet Rocketdyne Hldgs Inc	1,135 shares	21,649	23,551
Esterline Technologies Corp	345 shares	24,152	37,319
General Dynamics Corp	385 shares	46,791	53,962
Honeywell International Inc	412 shares	36,654	42,930
Lockheed Martin Corp	800 shares	115,865	150,560
Raytheon Corp	1,205 shares	106,690	124,428
United Technologies Corp	1,366 shares	163,295	160,054
Avery Dennison Corp	925 shares	43,556	57,267
Deluxe Corp	671 shares	16,341	42,830
Swift Transportation Co - CL A	1,127 shares	16,667	26,225
American Axle & Mfg Holdings	1,510 shares	25,293	37,916
Copper Tire & Rubr Co	640 shares	18,979	23,494
Lear Corp	782 shares	63,653	90,728
Modine Manufacturing Co	2,047 shares	19,284	22,906
Marriott Vacations Worldwide Corp	563 shares	26,912	49,702
Red Robin Gourmet Burgers	395 shares	20,675	32,939
Ryman Hospitality Properties Inc	725 shares	31,347	39,955
Six Flags Entertainment Corp	1,034 shares	40,781	50,521
Brunswick Corp	537 shares	22,637	27,408
Carmike Cinemas Inc	978 shares	26,665	27,218
Apollo Education Group Inc	583 shares	18,758	9,666
La-Z-Boy Inc	1,147 shares	20,626	30,430
Meritage Homes Corp	519 shares	15,028	22,763

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Ryland Group Inc	811 shares	19,736	34,119
Liberty Global PLC	3,131 shares	124,780	168,291
Comcast Corp CL A	1,300 shares	66,578	75,998
Liberty Broadband Corp Com Ser C	693 shares	24,893	37,062
Liberty Media Corp Delaware CL A	472 shares	35,245	18,085
Liberty Media Corp Del Com Ser C	1,520 shares	29,206	57,699
Meredith Corp	775 shares	37,995	40,920
Omnicom Group Inc	514 shares	36,527	38,308
Scripps Network Interact Inc	679 shares	53,754	45,500
Time Warner Inc	950 shares	21,768	21,385
Macys Inc	918 shares	37,591	61,460
American Eagle Outfitters	1,306 shares	17,277	21,379
Ascena Retail Group Inc	2,126 shares	27,737	31,422
Brown Shoe Co	1,200 shares	28,702	37,116
The Gap Inc	2,001 shares	75,301	76,698
Home Depot Inc	493 shares	39,536	54,930
Shoe Carnival Inc	674 shares	14,236	18,629
Crocs Inc	1,679 shares	19,847	25,252
COTT Corp Que	2,297 shares	21,837	22,028
CVS/Caremark Corp	1,980 shares	101,559	202,712
Caseys Gen Stores Inc	295 shares	23,411	25,721
Supervalu Inc	2,573 shares	27,735	22,720
Treehouse Foods Inc	249 shares	12,861	17,761
Tyson Foods Inc CL A	3,151 shares	105,160	133,760
Bristow Group Inc	363 shares	25,820	21,054
Matrix SVC	1,424 shares	32,772	24,023
Phillips 66 COM	2,101 shares	149,317	166,231
Anadarko Pete Corp	779 shares	66,218	65,132
Canadian Nat Res Ltd	2,890 shares	99,277	89,128
Carizzo Oil & Gas Inc	696 shares	25,813	34,911
EOG RES Inc	906 shares	80,176	80,353
Marathon Petroleum Corp	737 shares	68,209	76,250
Matador Res Co	1,151 shares	28,377	31,699
Occidental Petroleum Corp	2,085 shares	167,049	163,026
QEP RES Inc	2,546 shares	75,790	47,941
WPX Energy Inc	1,642 shares	22,479	21,165
Amsurg Corp	764 shares	26,243	51,448
Anthem Inc	613 shares	86,495	102,892
Cigna Corp	497 shares	65,249	69,993
Express Script Holdings	1,857 shares	127,460	161,819
Healthsouth Corp	650 shares	16,018	28,054
Magellan Health Services Inc	415 shares	19,753	28,066
Molina Healthcare Inc	548 shares	20,129	39,862
Omnicare Inc	958 shares	55,993	91,288
Pharmerica Corp	1,137 shares	30,164	37,817
Quest Diagnostics	868 shares	51,026	65,300
WellCare Health Plans Inc	500 shares	28,152	42,835
Gilead Sciences	856 shares	82,635	96,103
Charles River Laboratories	336 shares	14,168	24,306
Abbvie Inc	1,579 shares	83,368	105,146
Impax Laboratories	620 shares	17,695	29,146
Johnson & Johnson	2,219 shares	212,666	222,211
Merck & Co Inc	3,066 shares	186,738	186,689

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Pfizer Inc	7,885 shares	255,682	274,004
Shire PLC ADR	177 shares	41,250	46,047
Teva Pharmaceutical Industries ADR	1,774 shares	96,951	106,617
Medtronic Inc	2,339 shares	151,271	178,512
Greatbatch Inc	730 shares	32,837	37,945
ICU Med Inc	259 shares	9,970	25,123
Zimmer Holdings	618 shares	59,900	70,508
BB&T Corp	1,761 shares	68,891	69,507
Bancorpsouth Inc	1,846 shares	29,843	44,655
Banner Corp	920 shares	28,677	41,418
Citigroup Inc	4,082 shares	162,090	220,755
Fifth Third Bancorp	2,187 shares	44,512	44,265
First Bancorp Puerto Rico	6,620 shares	39,264	40,514
First Commonwealth Financial Corp	2,520 shares	18,220	22,932
First Financial Bancorp Ohio	2,059 shares	36,096	35,765
First Horizon National Corp	3,384 shares	30,454	49,948
International Bancshares Corp Common	815 shares	21,437	21,272
OFG Bancorp	2,580 shares	36,288	33,901
Old National Bancorp Ind	2,360 shares	34,204	32,120
OPUS BK Irvine CA	592 shares	17,760	18,701
Synovus Financial Corp	1,879 shares	34,342	54,529
United Community Banks GA	2,003 shares	34,676	38,357
Wells Fargo & Co	6,029 shares	205,361	337,383
West America Bancorp	150 shares	6,825	6,864
Western Alliance Bancorp	1,804 shares	16,214	56,555
AON PLC CL A	678 shares	65,508	68,627
Validus Holding LTD	109 shares	4,238	4,677
XL GROUP PLC	1,536 shares	54,482	57,876
ACE Limited	1,177 shares	118,940	125,327
Allstate Corp	1,863 shares	89,032	125,417
American Equity Invst Life Hldg	1,600 shares	34,591	40,656
American Intl Group Inc	2,173 shares	124,391	127,360
Berkshire Hathaway Inc Del	2,455 shares	284,957	351,065
CNO Financial Group	2,302 shares	26,079	41,436
Metlife Inc	1,007 shares	52,878	52,626
Prudential Finl Inc	695 shares	61,661	58,804
RLI Corp	817 shares	26,390	39,763
Stewart Information Services Corp	910 shares	25,027	34,189
Symetra Finl Corp	1,114 shares	27,114	27,248
Travelers Cos Inc	724 shares	62,114	73,211
Astoria Financial Corp	3,180 shares	43,946	41,690
MGIC Invst Corp	4,830 shares	34,412	52,406
Radian Group Inc	3,225 shares	21,353	57,792
Capital One Financial Corp	3,377 shares	245,047	282,182
Discover Financial Services	2,245 shares	90,349	130,816
Investment Technology Group	1,309 shares	14,019	35,160
Janus Cap Group Inc	2,195 shares	21,337	39,839
JP Morgan Chase	5,642 shares	290,114	371,131
American Homes 4 Rent	2,014 shares	33,012	33,614
Cubesmart	939 shares	7,979	22,339
Diamondrock Hospitality Co	1,868 shares	16,328	24,602
Lexington Corporate PPTYS	3,148 shares	26,672	28,899
Mack-Kali Realty	1,720 shares	33,795	29,068

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		Current Value
		Cost	
Medical PPTY TR Inc	1,690 shares	19,013	22,916
Parkway PPTY TR Inc	1,535 shares	27,427	26,387
Pennsylvania REIT	1,050 shares	21,030	23,436
RAIT Financial TR	3,560 shares	22,091	22,642
Sunstone Hotel Investors Inc	2,609 shares	25,987	39,813
Verizon Communications	2,035 shares	100,076	100,610
Brooks Automation Inc	2,456 shares	25,103	27,605
Entegris	1,736 shares	22,291	24,182
Fairchild Semiconductor Intl CL A	2,233 shares	26,529	44,481
Intersil Corp	2,717 shares	29,004	36,680
ON Semiconductor Corp	3,272 shares	22,781	43,387
Photronics Inc	3,622 shares	21,609	36,546
Silicon Laboratories Inc	507 shares	25,891	28,108
Brocade Communications SYS Inc	7,434 shares	64,387	91,921
Ciena Corp	1,479 shares	27,602	35,673
Cisco Systems	7,264 shares	155,536	212,908
Harris Corp Del	645 shares	50,401	51,097
Seagate Technology PLC	715 shares	21,748	39,783
Apple Inc	1,945 shares	161,256	253,395
EMC Corp	3,980 shares	107,094	104,833
Hewlett Packard Co	2,324 shares	76,022	77,622
Qlogic Corp	2,079 shares	28,338	32,266
Western Digital Corp	1,052 shares	88,450	102,423
TE Connectivity LTD	1,483 shares	83,210	102,327
Benchmark Electrs Inc	1,050 shares	25,853	24,402
Littelfuse Inc	435 shares	31,593	42,065
Plexus Corp	958 shares	34,944	43,570
Synnex Corp	534 shares	23,396	44,146
Tech Data Corp	611 shares	32,606	38,566
Vishay Intertechnology Inc	2,036 shares	23,092	26,509
Activision Blizzard Inc	3,625 shares	79,986	91,568
Mentor Graphics Corp	1,718 shares	21,317	44,857
Microsoft Corp	4,443 shares	173,474	208,199
Oracle Corp	3,053 shares	119,633	132,775
NXP Semiconductors	677 shares	43,673	75,993
Unisys Corp	1,296 shares	33,007	26,620
Northwestern Corp	735 shares	29,287	38,235
Allete Inc	931 shares	47,473	46,876
PNM Res Inc	861 shares	13,400	22,894
EQT Corp	399 shares	41,592	33,943
Energen Corp	842 shares	63,498	58,266
South Jersey Lnds Inc	1,090 shares	28,888	28,765
AES Corp	7,289 shares	89,151	99,130
Ally Finl Inc	3,153 shares	68,175	71,479
Berry Plastics Group Inc	624 shares	21,800	20,885
Central Pacific Financial Corp	1,731 shares	23,501	40,540
Dynegy Inc New Del	785 shares	27,974	25,387
Engility Holdings	897 shares	27,870	25,044
Kite Realty Group Trust	1,147 shares	27,842	31,026
Physicians Realty TR	1,500 shares	25,166	24,090
Rice Energy Inc	670 shares	18,405	14,693
Synergy Res Corp	3,108 shares	31,959	35,773
Maverick Stable Fund	6,500 shares	6,500,000	6,540,135

Materion Corporation Pension Plan

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Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		Current Value
		Cost	
Prudential Core Plus Bond Fund	53,188 shares	7,719,118	7,719,118
WTC CIF II Growth (Ser I) Port	382,751 shares	4,238,661	10,090,131
William Blair Institutional International Growth Fund	872,397 shares	12,396,257	14,455,622
DFA Emerging Markets Value #95	224,280 shares	6,448,055	6,055,564
DFA International Small Company #89	188,145 shares	2,890,901	3,546,534
DFA International Value #45	623,876 shares	11,713,280	12,103,188
Franklin Strategic Small Cap GRW	171,498 shares	3,134,097	3,505,419
Oppenheimer Developing Markets Fund	214,628 shares	6,747,641	7,604,282
Third Avenue Real Estate Value Fund	194,512 shares	3,876,358	6,360,531
Vanguard S&P Midcap 400 Index Fund	60,444 shares	7,924,499	12,409,228
Vanguard Institutional Index Fund #94	106,705 shares	13,195,442	20,603,718
Wells Fargo FDS Absolute RET Fund I	795,316 shares	8,906,168	8,859,818
Primus Cap Fund II	shares	1	-
Primus Cap Fund IV	2,179,135 shares	2,824	167
Primus Cap Fund V	286,956,921 shares	350,367	290,372
Kayne Anderson Capital Income Partners (QP), L.P.	2,960,935 shares	2,500,000	5,106,458
		<u>\$ 157,189,776</u>	<u>\$ 185,936,759</u>

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(j)—Schedule of Reportable Transactions

Year ended May 31, 2015

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Category (iii) - Series of transactions in excess of 5% of plan assets							
	Federated Treasury Obligations Fund Instl	13,038,248	-	-	13,038,248	13,038,248	-
		-	14,412,694	-	14,412,694	14,412,694	-

There were no category (i), (ii), or (iv) reportable transactions during the year ended May 31, 2015.

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Plan Sponsor

Materion Corporation

EIN/PN

34-1919973 / 001

Interest rate basis

- Applicable month February
- Yield curve basis 3-Segment rates

Interest rates Corridors

Reflecting Corridors

Not Reflecting

- First segment rate: 4.99% 1.22%
- Second segment rate: 6.32% 4.06%
- Third segment rate: 6.99% 5.09%
- Effective interest rate: 6.52% 4.43%

Prior plan year effective interest rate: 6.35% 4.72%

Assumed cost of living adjustments

None.

Inclusion date

The valuation date coincident with or next following the date on which the employee becomes a participant.

Plan Name: Materion Corporation Pension Plan
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Plan Sponsor: Materion Corporation
Valuation Date: June 1, 2014

SCHEDULE SB ATTACHMENTS

Plan-Related Expenses

The amount included this year for plan-related expenses is \$515,916. This amount equals the actual non-PBGC related administrative expenses for anticipated recurring projects paid in the prior plan year plus the PBGC expenses expected to be paid during the current year.

Mortality

For all participants: The prescribed mortality assumption under Section 430(h)(3)(A) of the Internal Revenue Code using static tables with separate mortality rates for annuitants and non-annuitants.

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the retirement assumption is shown below:

Salaried, TMI, AMTS and Brewster Participants - Age 65 with 5 years of participation or attained age, if greater, except employees who will have 30 years of service prior to age 65 are assumed to retire at age 63 or completion of 30 years of service, whichever is later.

Hourly Participants - For Newburyport and Tucson employees, participants assumed to retire at age 65 with 5 years of participation or attained age, if greater. For all other employees, age 65 with 5 years of participation or attained age, if greater, except employees who will have 30 years of service prior to age 65 are assumed to retire based on the following rates:

Age	Percent Retiring
55-59	5%
60-61	15
62	75
63-64	15
65	75
66	5
67	3
68	2
69	1
70 & over	100

Disability rates

Wyatt 1985 Disability Study Class 1 male and female rates.

Plan Name: Materion Corporation Pension Plan
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Plan Sponsor: Materion Corporation
Valuation Date: June 1, 2014

SCHEDULE SB ATTACHMENTS

Future increases in Maximum Benefits and Plan Compensation Limitations

Accrued benefits projected to be paid in future years are limited to the maximum presently allowed under IRC Section 415. Plan compensation is limited to the maximum presently allowed under IRC Section 401(a)(17). No provision is made for future increases in the maximum annual benefit or compensation limit.

Representative termination rates not due to disability, retirement or mortality

Attained Age	Percentage leaving during the year	
	Males	Females
20	14.95%	24.96%
25	9.94	14.95
30	6.91	9.94
35	4.88	6.91
40	2.82	4.88
45	1.67	2.82
50	0.40	1.67
55	0.00	0.40
60 and over	0.00	0.00

Form of payment

Single participants are assumed to elect the Normal Form of Benefit payment option. Married participants are assumed to elect the 50% joint and survivor option.

Marriage

85% of male and 50% of female participants are assumed to be married. In addition, male spouses are assumed to be three years older than female spouses.

Employees

It was assumed that there will be no new or rehired employees.

Plan Name: Materion Corporation Pension Plan
EIN / PN: 34-1919973 / 001
Plan Sponsor: Materion Corporation
Valuation Date: June 1, 2014

SCHEDULE SB ATTACHMENTS

Plan compensation

Salaried Participants - Compensation assumed paid in the current year for employees not in the MIP is current annual rate of pay increased by 5% for assumed bonus. Compensation assumed paid in the current year for employees in the MIP is the current annual rate of pay plus a target bonus (expressed as a percentage of current annual rate of pay) equal to:

100% of Personal/Team Maximum Percentage

plus

100% of Financial Target Percentage

TMI Participants - Compensation assumed paid in the current year is:

- for Hourly employees, the current annual rate of pay (assumed for 2,080 hours) plus 450 hours overtime plus 6% of pay for profit sharing,
- for Salaried employees not in the MIP, the current annual rate of pay increased by 5% for assumed bonus, and
- for Salaried employees in the MIP, the current annual rate of pay plus a target bonus (expressed as a percentage of current annual rate of pay) equal to:

100% of Personal/Team Maximum Percentage

plus

100% of Financial Target Percentage

Plan Name:	Materion Corporation Pension Plan
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Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

AMTS and Brewster Participants - Compensation assumed paid in the current year is:

- for Hourly employees, the current annual rate of pay increased by 3% for assumed bonus,
- for Salaried employees not in the MIP, the current annual rate of pay increased by 5% for assumed bonus, and
- for Salaried employees in the MIP, the current annual rate of pay plus a target bonus (expressed as a percentage of current annual rate of pay) equal to:

100% of Personal/Team Maximum Percentage

plus

100% of Financial Target Percentage

The “current annual rate of pay” is equal to the rate of base pay (annualized) in effect as of the census collection date as reported by Materion Corporation.

Asset method

Smoothed Actuarial Value of Assets method. Under this method, the valuation assets are equal to the average of three values (all determined without regard to receivable contributions), the result increased by the discounted present value of receivable contributions expected to be made after the valuation date based on the prior plan year PPA effective interest rate. This amount is then subject to a 10% corridor around the market value of assets (including the discounted present value of receivable contributions) as of the valuation date. The three values used to develop the average value are: the market value of assets as of the current valuation date, the adjusted market value of assets as of the prior valuation date and the adjusted market value of assets as of the second prior valuation date. The adjusted market value as of a relevant valuation date is equal to the market value of assets as of the prior valuation date increased by actual plan contributions and assumed return on plan assets and decreased by actual plan disbursements after that date until the current valuation date. The assumed rate of return on plan assets for the prior plan year (pursuant to IRS Notice 2009-22) was 6.76%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 7.50%, and the applicable limitation for the plan year, equal to 6.76%. The assumed rate of return on plan assets for the second prior plan year (pursuant to IRS Notice 2009-22) was 7.52%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 7.75%, and the applicable limitation for the plan year, equal to 7.52%. The algebraically equivalent development of this method (pursuant to IRS Notice 2009-22) is shown in Section 2.3. Because expected investment returns under this method are limited under WRERA, over time it is more likely to produce an actuarial value that is expected to be less than the market value of assets.

Participant data

Participant data were supplied using electronic media as of the valuation date by Materion Corporation.

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

Special loading

The liability for the normal retirement benefit and the normal cost for Delta division hourly employees, computed on the basis of the actuarial assumptions, has been increased by 8% to allow for the cost of the survivor option described under the **Survivor Option** heading in the Hourly Participants section of Appendix B.

Benefits not included in valuation

None. Generally, benefit changes which are adopted after the first day of the plan year or which become effective after the last day of the plan year are not recognized for such plan year.

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of June 1, 2014

See Schedule SB, Part V - Statement of Actuarial Assumptions/Methods for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed. For the current employee population, the average age at retirement is calculated to be 64.26 (rounded to 64).

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24 Change in Actuarial Assumptions

The following changes were made to the assumed plan compensation:

Employee Group	June 1, 2013	June 1, 2014
	Valuation Assumption	Valuation Assumption
Salaried (in MIP)	Base Pay plus bonus equal to the sum of 9% of Base Pay (for Personal/Team element) and 100% of Financial Target Percentage	Base Pay plus bonus equal to the sum of Personal/Team percentage and 100% of Financial Target Percentage
TMI Salaried (in MIP)	Base Pay plus bonus equal to the sum of 9% of Base Pay (for Personal/Team element) and 120% of Financial Target Percentage	Base Pay plus bonus equal to the sum of Personal/Team percentage and 100% of Financial Target Percentage
AMTS and Brewster Salaried (in MIP)	Base Pay plus bonus equal to the sum of 9% of Base Pay (for Personal/Team element) and 35% of Financial Target Percentage	Base Pay plus bonus equal to the sum of Personal/Team percentage and 100% of Financial Target Percentage

"Base Pay" is equal to the rate of base pay (annualized) in effect as of the census collection date as reported by Materion Corporation.

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data as of June 1, 2014 for Salaried Formula Participants¹

All monetary amounts shown in US Dollars

Attained Age	Attained Years of Credited Service and Number and Average Compensation/Salary (limited) ²													Total
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	
Under 25	0	0	1	0	0	0	0	0	0	0	0	0	0	1
	0	0		0	0	0	0	0	0	0	0	0	0	
25-29	0	0	14	20	2	4	0	0	0	0	0	0	0	40
	0	0		40,778			0	0	0	0	0	0	0	49,973
30-34	0	0	7	12	3	26	6	0	0	0	0	0	0	54
	0	0				54,655	54,219	0	0	0	0	0	0	54,096
35-39	0	0	7	7	2	21	15	9	0	0	0	0	0	61
	0	0				77,115			0	0	0	0	0	72,294
40-44	0	0	4	8	5	33	27	26	6	0	0	0	0	109
	0	0				94,327	89,822	76,781		0	0	0	0	86,611
45-49	0	0	10	11	0	18	21	17	11	10	0	0	0	98
	0	0			0		73,567				0	0	0	79,289
50-54	0	0	7	11	3	34	22	24	14	30	22	9	0	176
	0	0				93,765	100,951	107,713		88,887	84,185		0	95,071
55-59	0	0	5	7	5	23	16	29	11	22	42	20	0	180
	0	0				108,447		88,234		78,379	100,938	88,163	0	94,369
60-64	0	0	2	3	1	16	8	18	7	17	15	15	6	108
	0	0												93,292
65-69	0	0	0	0	0	2	2	2	2	3	4	0	5	20
	0	0	0	0	0							0		133,235
70 & over	0	0	0	0	0	0	0	1	1	1	0	1	2	6
	0	0	0	0	0	0	0				0			
Total	0	0	57	79	21	177	117	126	52	83	83	45	13	853
	0	0	73,016	64,946	78,989	84,465	88,760	90,968	102,605	88,565	97,181	92,571		86,463

¹ Participants who participated in two or more pre-merger plans are counted more than once on these exhibits.

² Ages and service totals for purposes of determining category are based on exact (not rounded) values.

Plan Name: Materion Corporation Pension Plan

EIN / PN: 34-1919973 / 001

Plan Sponsor: Materion Corporation

Valuation Date: June 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data as of June 1, 2014 for Hourly Formula Participants³

Attained Age	Attained Years of Credited Service and Number ⁴													Total
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	
Under 25	0	1	0	0	0	0	0	0	0	0	0	0	0	1
25-29	0	0	3	5	3	1	0	0	0	0	0	0	0	12
30-34	4	2	4	13	7	14	7	2	0	0	0	0	0	53
35-39	1	0	9	13	1	18	10	12	0	0	0	0	0	64
40-44	2	0	12	17	8	16	18	30	1	0	0	0	0	104
45-49	0	1	7	5	3	20	8	26	1	4	0	0	0	75
50-54	3	0	3	12	5	21	15	30	9	29	11	11	0	149
55-59	2	2	7	13	2	13	23	18	8	22	20	21	1	152
60-64	2	0	1	6	0	8	9	17	1	12	19	9	3	87
65-69	0	0	1	0	0	4	2	3	0	1	2	0	2	15
70 & over	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Total	14	6	47	84	29	115	92	139	20	68	52	41	6	713

³ Participants who participated in two or more pre-merger plans are counted more than once on these exhibits.

⁴ Ages and service totals for purposes of determining category are based on exact (not rounded) values.

Plan Name: Materion Corporation Pension Plan

EIN / PN: 34-1919973 / 001

Plan Sponsor: Materion Corporation

Valuation Date: June 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of June 1, 2014

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
Shortfall	06/01/2014	(5,219,440)	7	(5,219,440)	(873,520)
Shortfall	06/01/2013	14,511,494	6	12,794,281	2,421,852
Shortfall	06/01/2012	(23,508,397)	5	(18,141,394)	(3,989,952)
Shortfall	06/01/2011	8,271,329	4	4,964,260	1,333,131
Shortfall	06/01/2010	10,965,913	3	5,233,688	1,830,172
Shortfall	06/01/2009	(2,473,457)	2	(824,415)	(422,242)
Shortfall	06/01/2008	26,979,486	1	4,506,540	4,506,540
Total				3,313,520	4,805,981

Plan Name: Materion Corporation Pension Plan
EIN / PN: 34-1919973 / 001
Plan Sponsor: Materion Corporation
Valuation Date: June 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of principal plan provisions for Salaried, TMI, AMTS and Brewster Participants

Plan Sponsor

Materion Corporation

Plan

Materion Corporation Pension Plan

Effective Date and Most Recent Amendment

June 1, 1959, with most recent amendment adopted on December 1, 2014 and effective June 26, 2013.

Plan Year

The twelve-month period ending May 31.

Participation

Immediate on hire date for employees regularly scheduled to work at least 1,000 hours during 12 consecutive months. Effective May 26, 2012, no new or re-hired employee may become a Participant under the Plan.

Normal Retirement Eligibility

Age 65 or 5 years after becoming a participant in the Plan, if later.

Normal Retirement Pension

For Salaried, TMI and AMTS Participants: The frozen monthly accrued benefit payable at normal retirement as of May 31, 2005 under the applicable prior formula (converted to a lifetime form of payment for TMI Participants) plus 1/12 of 1% of annual pension earnings for each calendar year. For the calendar year ending December 31, 2005, only pension earnings paid on or after June 1, 2005 is included. If the employee first became a participant on or after June 1, 2005, 1/12 of 1% of annual pension earnings for each calendar year beginning with his calendar year of employment. Participants who had attained both age 58 and 20 years of vesting service as of June 1, 2005 are grandfathered and will have their benefit calculated as above with the provision that they will receive no less than they would

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

have received under the formulas in effect for them as of May 31, 2005. See the **Grandfathered Formulas** section below.

For Brewster Participants: 1/12 of 1% of annual pension earnings for each calendar year beginning with the later of July 1, 1998 and the calendar year of employment.

Grandfathered Formulas

For Salaried Participants: 50% of final average monthly pension earnings (1/60 of highest 5 consecutive calendar year's pension earnings in a participant's career), less 50% of the monthly Social Security benefit, the entire benefit prorated for less than 35 years of service, but no less than \$30.00 multiplied by years of service (without limit). A participant in an existing plan on May 31, 1981 receives no less than what he would have received at retirement based on the provisions of the prior existing plan.

For TMI Participants: 35% of final average monthly pension earnings (1/60 of highest 5 consecutive calendar years of pension earnings in a participant's career) prorated for less than 30 years of service at normal retirement. The accrued benefit is equal to the normal pension (based on service projected to normal retirement) multiplied by the ratio of actual service to projected service at normal retirement. Normal Form of Benefit is 10 years certain and lifetime thereafter.

For AMTS Participants: 0.75% of final average monthly pension earnings (1/60 of highest 5 consecutive years of earnings in a participant's career) plus 0.75% of final average monthly pension earnings in excess of the monthly Covered Compensation amount, the sum multiplied by the participant's years of service, subject to a minimum benefit determined under the prior plan formula for those who became plan participants prior to January 1, 1980. Annual pension earnings for any year is the basic rate of pay on September 1 exclusive of bonuses and overtime; however, effective January 1, 1998 bonuses are included prospectively for participants still employed on or after September 1, 1998.

Early Retirement Eligibility and Pension

Eligibility requirements for early retirement are attainment of age 55 and 10 or more years of service. The early retirement reduction for each month that the benefit commencement date precedes normal retirement is 5/9 of 1% for each month between ages 60 and 65 and 5/18 of 1% for each month between ages 55 and 60.

30 and Out Retirement at Age 62

Eligibility requirements are 30 or more years of service and attainment of age 62. The benefit is calculated in the same manner as a normal retirement benefit without any reduction for early retirement.

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

30 and Out Retirement at Age 55

Eligibility requirements are 30 or more years of service and attainment of age 55. The benefit is calculated in the same manner as a normal retirement benefit reduced for each month that the benefit commencement date precedes age 62 by 5/9 of 1% for each month between ages 60 and 62 and 5/18 of 1% for each month between ages 55 and 60.

Disability Retirement Pension

Eligibility requirement is 5 or more years of service. LTD benefits are generally paid to the employee until age 65. If an LTD benefit is paid to an employee, a benefit would be paid under the pension plan beginning at age 65. In calculating the pension plan benefit, the employee is considered to have remained a participating employee and to be receiving annual pension earnings for each calendar year at a rate equal to the annual pension earnings for the calendar year prior to their employment severance. If an LTD benefit is not paid to an employee and they are entitled to disability benefits under another Company pension plan, or provisions of the merged plan, they receive their accrued pension benefit payable immediately.

Deferred Vested Retirement Benefit

Eligibility requirement is 5 or more years of service. The benefit beginning at age 65 would be calculated in the same manner as a normal retirement benefit. Benefits, reduced as in the case of early retirement, would be payable beginning between ages 55 and 65 for participants who terminate with 10 or more years of service.

Pre-Retirement Surviving Spouse Benefit

A Pre-Retirement Surviving Spouse benefit is payable to the spouse of a participating or terminated employee who dies after becoming eligible for a deferred vested retirement benefit. The benefit is calculated as if the employee had terminated their employment the day of their death (if they were employed), had elected to have their pension commence on their earliest retirement date, had elected the 50% joint and survivor option (100% joint and survivor option, in the event of a participating employee's death while eligible for early retirement), had survived to their earliest retirement date and died the following day. This benefit is provided automatically to all married employees who are eligible for a deferred vested retirement benefit. There is no election necessary.

Former S.K. Wellman Salaried Employees

Former participants of the S.K. Wellman Salaried Pension Plan, who transferred from status as an S.K. Wellman salaried employee to a Brush Wellman salaried employee on or before May 4, 1986, will receive a benefit under the Materion Corporation Pension Plan calculated based on credited service with both S.K. Wellman and Brush Wellman, offset by the amount of the frozen annuity accrued under the S.K. Wellman Salaried Pension Plan.

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

Plan Merger

As of December 31, 1988, the Egbert Corp. Retirement Plan for Salaried Employees and the Egbert Corp. Hourly-Wage Employees Pension Plan merged into the Brush Wellman Pension Plan for Salaried Employees.

Effective December 31, 1999 the Brush Wellman Inc. Pension Plan for Hourly Employees was merged into the Brush Wellman Inc. Pension Plan for Salaried Employees. In addition, the name of the merged Plan was changed to the Brush Wellman Inc. Pension Plan. On May 16, 2000, the name of the merged plan was changed to the Brush Engineered Materials Inc. Pension Plan.

Effective at the close of business on May 31, 2000, the Technical Materials, Inc. Pension Plan was merged into the Brush Engineered Materials Inc. Pension Plan.

Effective at the close of business on May 31, 2000, the Williams Advanced Materials Inc. Retirement Plan was merged into the Brush Engineered Materials Inc. Pension Plan.

On March 3, 2011, the name of the merged plan was changed to the Materion Corporation Pension Plan.

Payment of Benefits

The Normal Form of Benefit is a benefit payable for the lifetime of the retired participant. The participant may also elect a 50%, 66-2/3%, 75% or 100% joint and survivor option, or a 10-year certain and life option. For **AMTS Participants**, the participant may elect a 15-year certain and life option for the portion of their benefit accrued as of May 31, 2005. These benefits are the actuarial equivalent of the Normal Form of Benefit. Effective June 1, 2005 for benefits commencing on or after such date, actuarial equivalence for the purpose of determining an optional form of payment is based on a unisex blend of the 1994 Group Annuity Reserving Table projected to 2002 (i.e., the Revenue Ruling 2001-62 mortality table) and a 7% interest rate.

For Salaried Participants: The accrued benefit as of June 30, 1992 is available as a lump sum. For participants prior to June 1, 2005, the portion of the benefit accrued after July 1, 1992 is available as a lump sum if the present value of the benefit accrued after July 1, 1992 does not exceed \$21,919.17.

For TMI Participants: For participants prior to June 1, 2005, the accrued benefit is available as a lump sum if the present value of the accrued benefit does not exceed \$10,959.59.

Changes in Plan Provisions for Salaried, TMI, AMTS and Brewster Participants since Last Actuarial Valuation

There have been no material changes to the principal plan provisions since the last valuation.

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Principal Plan Provisions for Hourly Participants

Plan Sponsor

Materion Corporation

Plan

Materion Corporation Pension Plan

Effective Date and Most Recent Amendment

June 1, 1959, with most recent amendment adopted on December 1, 2014 and effective June 26, 2013.

Plan Year

The twelve-month period ending May 31.

Participation

Attainment of age 21 with 1 year of service. Effective May 26, 2012, no new or re-hired employee may become a Participant under the Plan.

Normal Retirement Eligibility

Age 65 or 5 years after becoming a participant in the Plan, if later.

Normal Retirement Pension

Division	Benefit Unit (per year of credited service)
Elmore, Reading and Delta	\$29.50 (first 25 years) \$32.50 (years in excess of 25)
Cleveland	\$23.50 (first 25 years) \$26.00 (years in excess of 25)
Fremont and service centers	\$25.00
Tucson, Newburyport and Lorain	\$19.00

Plan Name: Materion Corporation Pension Plan
EIN / PN: 34-1919973 / 001
Plan Sponsor: Materion Corporation
Valuation Date: June 1, 2014

SCHEDULE SB ATTACHMENTS

Early Retirement Eligibility and Pension

Eligibility requirements for early retirement are attainment of age 55 and 10 years of service (at least 5 years for Delta Mill employees hired prior to November 1, 1985 or any other employee other than Newburyport and Tucson employees hired before July 1, 1984). The accrued Normal Retirement Pension is payable at age 65 or is payable immediately in an amount equal to the accrued pension reduced for each month that the benefit commencement date precedes normal retirement by 5/9% for each month between age 60 and age 65 and 5/18% for each month between age 55 and age 60 (6/10% for each month between age 60 and age 65 and 6/15% for each month between age 55 and age 60 for Delta Mill employees who terminated prior to August 15, 2005).

30 and Out Retirement at Age 62

Eligibility requirements are 30 or more years of service and attainment of age 62 (not applicable to Delta Mill employees who terminated prior to August 15, 2005, Hampton, Newburyport and Tucson employees). The benefit is calculated in the same manner as a Normal Retirement Pension without any reduction for early retirement.

30 and Out Retirement at Age 55

Effective for terminations on or after June 30, 1999, eligibility requirements are 30 or more years of service and attainment of age 55 (not applicable to Delta Mill employees who terminated prior to August 15, 2005, Hampton, Newburyport and Tucson employees). The benefit is calculated in the same manner as a normal retirement benefit reduced for each month that the benefit commencement date precedes age 62 by 5/9 of 1% for each month between ages 60 and 62 and 5/18 of 1% for each month between ages 55 and 60.

Disability Retirement Pension

Eligibility requirement is 10 or more years of service. The accrued Normal Retirement Pension is payable, except that an additional \$9.00 times years of credited service is payable prior to eligibility for Federal Social Security disability benefits or unreduced old age benefits.

Deferred Vested Retirement Benefit

Eligibility requirement is 5 years of service. The accrued Normal Retirement Pension is payable at age 65 or is payable at age 55 for participants with 10 or more years of service in an amount equal to the accrued pension reduced for each month that the benefit commencement date precedes normal retirement by 5/9% for each month between age 60 and age 65 and 5/18% for each month between age 55 and age 60 (6/10% for each month between age 60 and age 65 and 6/15% for each month between age 55 and age 60 for Delta Mill employees who terminated prior to August 15, 2005).

Plan Name:	Materion Corporation Pension Plan
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Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

Survivor Option

For Delta division employees first employed prior to August 15, 2005, upon normal or early retirement, or upon survival to age 55 after disability or after vested termination, an employee may elect a reduced benefit equal to 95% of their regular benefit determined as noted above (decreased by 1/2% for each year in excess of 5 that their age exceeds that of their spouse and increased by 1/2% for each year in excess of 5 that their spouse's age exceeds their age), 55% of which will be continued after the participant's death for the remaining lifetime, if any, of their dependent spouse.

Pre-Retirement Surviving Spouse Benefit

If a participating or terminated employee should die prior to retirement but after becoming eligible for a deferred vested retirement benefit, there shall be paid to their spouse the benefit to which the spouse would have been entitled had the employee terminated employment (if they were employed) just prior to death, had survived to their earliest retirement date, had elected benefit commencement under the Joint and 50% Surviving Contingent Pensioner Option (Joint and 100% Surviving Contingent Pensioner Option, in the event of a participating employee's death while eligible for early retirement) on that date and had died the next following day (for Delta division employees first employed prior to August 15, 2005, the Survivor Option is described above).

Spouse's Benefit for Certain Employees Who Die Prior to Age 55

In the event of the death of an hourly employee, other than a Delta Mill employee who died prior to August 15, 2005, who had not attained age 55 and who has 15 years of service, there shall be paid to their spouse, until the earliest of their spouse's death, attainment of age 60 or remarriage, a benefit amount equal to 50 percent of the benefit that would have been payable to the participant commencing at age 55 if they had retired at age 55 with years of service equal to their actual years of service at time of death plus years of service they would have earned up to age 55, assuming continuous service from date of death to age 55. In the case that this benefit ceases to be payable or is smaller than the Pre-Retirement Surviving Spouse Benefit, the Pre-Retirement Surviving Spouse Benefit will be payable.

Spouse's Benefit for Certain Participants Who Commence Disability Pension Prior to Age 55

In the event of the death of a disability pensioner (other than a Delta Mill disability pensioner who died prior to August 15, 2005) whose disability pension commenced prior to their attaining age 55 and who had 15 years of service, there shall be paid to their spouse, until the earlier of their spouse's death, attainment of age 60 or remarriage, 25 percent of the benefit that was paid to the disability pensioner just prior to their death. In the case that this benefit ceases to be payable or is smaller than the Pre-Retirement Surviving Spouse Benefit, the Pre-Retirement Surviving Spouse Benefit will be payable.

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

Special Age 65 Benefit

For Delta Mill division employees who had commenced receiving this benefit prior to August 15, 2005, a monthly benefit of \$5.30 per month is payable on or after January 1, 1972 to all pensioners and surviving spouses who are over age 65. The foregoing benefit is not applicable in the case of employees (or their spouses) receiving deferred vested benefits.

Payment of Benefits

The Normal Form of Benefit is a benefit payable for the lifetime of the retired participant. The participant may also elect a 50% to 100% joint and survivor option. These benefits are the actuarial equivalent of the Normal Form of Benefit. Effective June 1, 2005 for benefits commencing on or after such date, actuarial equivalence for the purpose of determining an optional form of payment is based on a unisex blend of the 1994 Group Annuity Reserving Table projected to 2002 (i.e., the Revenue Ruling 2001-62 mortality table) and a 7% interest rate. In addition, the benefit is available as a lump sum if it does not exceed an annually adjusted limit.

Plan Merger

Effective December 31, 1999 the Brush Wellman Inc. Pension Plan for Hourly Employees was merged into the Brush Wellman Inc. Pension Plan for Salaried Employees. In addition, the name of the merged Plan was changed to the Brush Wellman Inc. Pension Plan. On May 16, 2000, the name of the merged plan was changed to the Brush Engineered Materials Inc. Pension Plan. On March 3, 2011 the name of the merged plan was changed to the Materion Corporation Pension Plan.

Changes in Plan Provisions for Hourly Participants since Last Actuarial Valuation

There have been no material changes to the principal plan provision since the last valuation.

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Materion Corporation
EIN/PN	34-1919973/001
Plan Name	Materion Corporation Pension Plan
Valuation Date	June 1, 2014
Enrolled Actuary	Monty Wesoloski
Enrollment Number	14-07549

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2014 This Form is Open to Public Inspection
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For calendar plan year 2014 or fiscal plan year beginning 06/01/2014 and ending 05/31/2015

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>MATERION CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) ▶	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>MATERION CORPORATION</u>		
D Employer Identification Number (EIN) <u>34-1919973</u>		

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500
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Part I Basic Information			
1	Enter the valuation date: Month <u>06</u> Day <u>01</u> Year <u>2014</u>		
2	Assets:		
	a Market value	2a	188497346
	b Actuarial value	2b	178130099
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment.....	966	74833775
	b For terminated vested participants.....	269	8744745
	c For active participants.....	1420	83497367
	d Total.....	2655	157744403
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐		
	a Funding target disregarding prescribed at-risk assumptions	4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b	
5	Effective interest rate	5	6.52 %
6	Target normal cost	6	4743971

Statement by Enrolled Actuary
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>Monty Wesoloski</u> <div style="text-align: center;"> Signature of actuary </div>	<u>March 11, 2016</u> Date <u>14-07549</u> Most recent enrollment number <u>216-937-4000</u> Telephone number (including area code)
<u>MONTY A WESOLOSKI</u> Type or print name of actuary <u>TOWERS WATSON DELAWARE INC</u> Firm name <u>1001 LAKESIDE AVENUE</u> <u>SUITE 1500</u> <u>CLEVELAND, OH 44114</u> Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2014
v. 140124

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	12384644
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	5531609
9 Amount remaining (line 7 minus line 8)	0	6853035
10 Interest on line 9 using prior year's actual return of <u>12.19</u> %	0	835385
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		5976743
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.35</u> %		28266
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		674303
c Total available at beginning of current plan year to add to prefunding balance		6679312
d Portion of (c) to be added to prefunding balance		6679312
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	14367732

Part III Funding Percentages

14 Funding target attainment percentage	14	98.01 %
15 Adjusted funding target attainment percentage	15	106.61 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	91.53 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/17/2015	4000000	0			
09/05/2015	4000000	0			
Totals ▶			18(b)	8000000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	7315488

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 64
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	4743971	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
b Waiver amortization installment	3313520	4805981	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..	34	9549952	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	8269595	8269595
36 Additional cash requirement (line 34 minus line 35)	36	1280357	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	7315488	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	6035131	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	6035131	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

Materion Corporation Pension Plan

**May 31, 2015 and 2014 and Year ended May 31, 2015
with Report of Independent Auditors**

Materion Corporation Pension Plan

Financial Statements and Supplemental Schedules

May 31, 2015 and 2014 and Year ended May 31, 2015

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Report of Independent Auditors

To the Compensation Committee and Governance
and Organization Committee of the
Materion Corporation Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Materion Corporation Pension Plan, which comprise the statements of net assets available for benefits as of May 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended May 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 4, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of May 31, 2015 and 2014, and for the year ended May 31, 2015, stating that the investment information provided to the plan administrator is complete and accurate.



Disclaimer of Opinion on Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Disclaimer of Opinion on Supplemental Schedules

The accompanying supplemental schedules of assets (held at end of year) as of May 31, 2015, and reportable transactions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Compliance of Form and Content with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Ernst & Young LLP

March 15, 2016

Materion Corporation Pension Plan

Statements of Net Assets Available for Benefits

	May 31,	
	2015	2014
Assets		
Cash, noninterest-bearing	\$ 9	\$ 7
Receivables:		
Employer contributions	8,000,000	12,000,000
Accrued income	100,583	100,852
	<u>8,100,583</u>	<u>12,100,852</u>
Investments, at fair value:		
Interest-bearing cash	5,916,934	5,012,072
U.S. Government agency securities	3,656,484	3,920,895
Corporate bonds - preferred	456,525	376,884
Corporate bonds - other	11,698,056	3,516,797
Pooled Investment Fund	6,540,135	6,500,000
Common stock	12,962,638	12,967,846
Partnership/joint venture interests	5,396,996	5,911,823
Common/collective trusts	10,090,131	8,773,943
Registered investment companies	129,218,860	129,650,535
	<u>185,936,759</u>	<u>176,630,795</u>
Net assets available for benefits	<u><u>\$ 194,037,351</u></u>	<u><u>\$ 188,731,654</u></u>

See accompanying notes.

Materion Corporation Pension Plan

Statement of Changes in Net Assets Available for Benefits

Year ended May 31, 2015

Additions

Contributions:

Employer	\$ 8,000,000
----------	--------------

Investment income:

Net appreciation in fair value of investments	1,705,881
---	-----------

Interest and dividends	4,990,064
------------------------	-----------

Other income	2,470
--------------	-------

	<u>6,698,415</u>
--	------------------

Total additions

	<u>14,698,415</u>
--	-------------------

Deductions

Benefits paid to participants	8,692,902
-------------------------------	-----------

Administrative expenses	699,816
-------------------------	---------

	<u>9,392,718</u>
--	------------------

Net increase

	5,305,697
--	-----------

Net assets available for benefits at beginning of year	188,731,654
--	-------------

Net assets available for benefits at end of year	<u>\$ 194,037,351</u>
--	-----------------------

See accompanying notes.

Materion Corporation Pension Plan

Notes to Financial Statements

May 31, 2015 and 2014 and Year ended May 31, 2015

1. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Materion Corporation (Company and Plan Administrator) Pension Plan (Plan) are prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition

Investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 8 for further discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

401(h) Account

Effective January 1, 2000, the Plan was amended to include a health and welfare component in addition to normal retirement benefits to fund a portion of the post-retirement obligations for retirees and their beneficiaries in accordance with Section 401(h) of the Internal Revenue Code. A separate account has been established and maintained in the Plan for such net assets. In accordance with Internal Revenue Code Section 401(h) and subject to Internal Revenue Code Section 420, the Plan's investment in the 401(h) account may not be used for, or diverted to, any purpose other than providing health and welfare plan's benefits for retirees and their beneficiaries. Any assets transferred to the 401(h) account from the defined benefit pension plan in a qualified transfer of excess pension plan assets (and any income allocable thereto) that are not used during the taxable year of the transfer must be transferred out of the account to the general assets of the Plan. The related obligations for health benefits are not a component of this Plan's accumulated plan benefits obligation. Qualified transfers to the 401(h) account are determined annually and are at the discretion of the Company. Excess pension assets shall not be transferred in any taxable year beginning after December 31, 2021 and no contributions shall be made to the 401(h) account. There have not been any qualified transfers to the 401(h) account since 2001. There is no balance in the 401(h) account at May 31, 2015 and 2014.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Payment of Benefits

Benefits are recorded when paid.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note 3) are those estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries. Benefits are based on employees' credited service and other factors. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements, accompanying notes and supplemental schedules. Actual results could differ from those estimates.

New Accounting Pronouncements

In May 2015, the FASB issued Accounting Standards Update 2015-07, *Disclosures for Investments in Certain Entities that Calculate Net Asset Value Per Share (or its Equivalent)*, (ASU 2015-07). ASU 2015-07 removes the requirement to categorize within the fair value hierarchy investments for which fair values are estimated using the net asset value practical expedient provided by Accounting Standards Codification 820, *Fair Value Measurement*. Disclosures about investments in certain entities that calculate net asset value per share are limited under ASU 2015-07 to those investments for which the entity has elected to estimate the fair value using the net asset value practical expedient. ASU 2015-07 is effective for entities (other than public business entities) for fiscal years beginning after December 15, 2016, with retrospective application to all periods presented. Early application is permitted. Management is currently in the process of evaluating the impact that the standard will have on the financial statements.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans*

(Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I of the ASU eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II of the ASU eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. It also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III of the ASU allows a plan with a fiscal year end that doesn't coincide with the end of a calendar month to measure its investments and investment-related accounts using the month end closest to its fiscal year end. The ASU is effective for fiscal years beginning after December 15, 2015. Parts I and II are to be applied retrospectively. Part III is to be applied prospectively. Plans can early adopt any of the ASU's three parts without early adopting the other parts. Management is currently in the process of evaluating the impact that the standard will have on the financial statements.

Subsequent Events

Management evaluated subsequent events for the Plan through March 15, 2016, the date the financial statements were available to be issued.

The Plan was amended effective January 1, 2016, to provide a temporary six month lump sum payment option following separation from employment for any participant whose present value does not then exceed \$100,000. During the temporary election period an immediate annuity form of payment is also available as required by law; the Plan's other methods of payment are not affected by this amendment.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

2. Description of Plan

The Plan is a defined benefit plan which covers the majority of employees of Materion Corporation and certain of its wholly owned subsidiaries and related affiliates and provides for retirement and disability retirement benefits. This Plan also provides death benefits.

The Company's present intention is to make contributions in amounts that would satisfy the Employee Retirement Income Security Act of 1974 (ERISA) minimum funding requirements, not to exceed maximum tax-deductible amounts. The Plan has met the ERISA minimum funding requirements for 2015 and 2014.

Should the Plan terminate, the net assets of the Plan will be allocated for payment to the participants in an order of priority as prescribed by ERISA and its related regulations and the plan document. Should the Plan terminate at some future time, its net assets will generally not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefits Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guarantee, while other benefits may not be provided for at all.

Information about the Plan's vesting and benefit provisions and the PBGC's benefit guarantee is contained in the Summary Plan Description (SPD). Participants should refer to the plan document and SPD for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Administrator.

In 2007, the Board of Directors of Materion Corporation authorized the Company to amend the Plan. This amendment is effective for all Materion hourly participants who terminate employment on or after April 1, 2007. Based on the amendment, the benefit unit per each year of credited service was increased by \$1 for all years of service.

In 2010, the Board of Directors of Materion Corporation authorized the Company to amend the Plan. This amendment is effective for all Materion employees who have met the eligibility conditions for early retirement (age 55 with 10 years of service) or normal retirement (age 65 with 5 years of service) and die while employed. Based on this amendment, this individual is deemed to have elected the 100% joint and survivor form of his or her pension benefit. His or her spouse would then receive the same reduced monthly pension that the employee would have received if they had survived and elected to commence their pension benefit under this option.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

2. Description of Plan (continued)

In 2012, the Board of Directors of Materion Corporation authorized the Company to amend the Plan. This amendment closed the plan to all employees hired or rehired on or after May 26, 2012. Employees hired prior to May 26, 2012 at covered locations continue to participate in the plan and to accrue future benefits. A second amendment, authorized in late 2012 and executed in 2013, allowed participants who had terminated from the Company prior to December 1, 2012 and who were entitled to but had not yet commenced a future monthly pension benefit as of January 1, 2013, a one-time opportunity to elect to receive either a lump sum payment payable May 1, 2013 in lieu of their future monthly pension benefit or the immediate commencement of their monthly pension benefit, payable beginning May 1, 2013, with such monthly pension benefit calculated to be actuarially equivalent to the lump sum payment.

The actuarial present value of accumulated plan benefits at May 31, 2015 and 2014 reflect these amendments.

3. Accumulated Plan Benefits

Consulting actuaries from Towers Watson estimated the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The accumulated plan benefit information as of the end of each plan year is as follows:

	May 31	
	2015	2014
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants receiving benefits	\$ 76,859,195	\$ 72,766,757
Other participants	76,389,578	75,293,737
	153,248,773	148,060,494
Non-vested accumulated benefits	8,632,949	8,023,443
	<u>\$ 161,881,722</u>	<u>\$ 156,083,937</u>

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

3. Accumulated Plan Benefits (continued)

The changes in the accumulated plan benefits for the current plan year are as follows:

	Year Ended May 31 2015
Actuarial present value of accumulated benefits at beginning of year	\$ 156,083,937
Changes during the year due to:	
Benefits accumulated	3,814,788
Actuarial (gains)/losses	(183,080)
Decrease in the discount period	11,248,540
Actual benefits paid	(8,692,902)
Assumption changes	(389,561)
Net increase	5,797,785
Actuarial present value of accumulated benefits at year end	\$ 161,881,722

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

3. Accumulated Plan Benefits (continued)

Significant assumptions underlying the actuarial computation are:

Rate of return	7.25% as of May 31, 2015 and May 31, 2014
Retirement	<i>Salaried, TMI, AMTS and Brewster Participants</i> —As of May 31, 2015 and May 31, 2014, 25% per year from age 65-69, with the remainder retiring at age 70, except employees who will have 30 years of service prior to age 65 are assumed to retire at age 63 or completion of 30 years of service, whichever is later. <i>Hourly Participants</i> —As of May 31, 2015 and May 31, 2014, for Newburyport and Tucson employees, 25% per year from age 65-69, with the remainder retiring at age 70. For all other employees, 25% per year from age 65-69, with the remainder retiring at age 70, except employees who will have 30 years of service prior to age 65 are assumed to retire based on a decrement schedule.
Actuarial cost method	Projected Unit Credit Cost Method
Mortality basis	RP-2014 Healthy Mortality Tables (with separate rates for males and females) with generational projection using Scale MP-2015 from 2006 (the base year of the study) at May 31, 2015 and Scale MP-2014 at May 31, 2014.

These actuarial assumptions were based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

4. Investments

All investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at May 31, 2015 and 2014, and net appreciation in fair value of investments and interest and dividends for the year ended May 31, 2015, was obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by Fifth Third Bank, the trustee.

During the year ended May 31, 2015, the Plan's investments (including investments purchased, sold, as well as held during the year) appreciated (depreciated) in fair value as follows:

Shares of registered investment companies	\$ (108,473)
Common collective trust	1,297,543
Common stock	929,240
U.S. Government agency securities	28,232
Corporate bonds	(67,683)
Pooled Investment Funds	40,135
Partnership/joint venture interests	(413,113)
	<u>\$ 1,705,881</u>

Investments that represent 5% or more of fair value of the Plan's net assets are as follows:

	May 31	
	2015	2014
Vanguard Institutional Index Fund #94	20,603,718	19,794,677
William Blair Institutional International Growth Fund	14,455,622	9,838,534
DFA 5 Year Global Fixed Income	14,135,812	11,850,606
Loomis Sayles Global Bond Fund	12,550,317	11,341,448
Vanguard S&P MidCap 400 Index Fund	12,409,228	12,403,546
DFA International Value Fund #45	12,103,188	11,153,048
WTC CIF II Growth Port	10,090,131	*

*This value was less than 5% of the Plan's net assets in the respective year. It is being shown for comparative purposes only.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

5. Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated June 23, 2014 stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (IRC), and therefore, the related trust is exempt from taxation. Subsequent to this issuance of the determination letter and as noted in the Subsequent Events section, the Plan was amended to reflect regulatory guidance. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualified status. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of May 31, 2015, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2011.

6. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

7. Allocated Insurance Contracts

During the plan year ended 1989, the Egbert Corporation Retirement Plan for Salaried Employees and the Egbert Corporation Retirement Plan for Hourly Employees (Egbert Plans) merged with the Plan. Net assets approximating \$7,100,000 were transferred to the Plan from the Egbert Plans. Prior to the merger, annuities of approximately \$14,300,000 were purchased to satisfy obligations to the participants of the Egbert Plans. During the 1991 Plan year, additional annuities of \$81,490 were purchased. The annuities are excluded from the net assets of the Plan.

8. Fair Value Measurements

Fair value is defined under ASC 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). To measure fair value, a hierarchy has been established that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. As such, the hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy in ASC 820 are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets and liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Observable inputs other than quoted prices that are used in the valuation of the asset or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity. Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measure in its entirety.

Following is a description of the valuation techniques and inputs used for each major class of assets and liabilities measured at fair value.

Registered investment companies — Valued based on observable market quotations for identical assets and priced on a daily basis at the close of business

Common/collective trusts — Valued at estimated fair values, which have been determined based on the net asset value (NAV) per unit of the funds

Common stock — Valued at the closing price reported on the active market on which the individual securities are traded

U.S. government agency securities and corporate bonds — Valued at fair value, which is estimated using evaluated bids from third parties using observable market inputs such as matrix pricing or broker quotes

Partnership/joint venture interests — Valued using NAV, which approximates fair value. NAV is based on the unit values of the interests. Unit values are determined by the issuer sponsoring such interests by dividing the fund's net assets at fair value by its units outstanding at the valuation dates. The Plan Sponsor has an appointed Investment Committee that is responsible for determining the Plan's asset allocation and oversight of the investments held by the Plan. The Investment Committee meets quarterly and monitors all investment activity by reviewing fund performance of existing funds. All new limited partnership investments are authorized by the Investment Committee. The Plan Sponsor is responsible for determining the Plan's valuation policies and analyzing information that is used to determine the fair value of the limited partnerships held by the Plan. The Plan Sponsor monitors all limited partnership activity by reviewing fund performance of existing funds and performing due diligence for potential

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

future investments. As an extra level of security, the Plan Sponsor also utilizes the services of an investment consultant to monitor fund performance.

Pooled Investment Funds - Valued at fair value estimated by the issuer, which has been determined based on the unit values of these funds. Unit values are determined by dividing the net asset value by the total units held by the Plan at year-end. The Plan Sponsor has an appointed Investment Committee that is responsible for determining the Plan's asset allocation and oversight of the investments held by the Plan. The Investment Committee meets quarterly and monitors all investment activity by reviewing fund performance of existing funds. All new pooled investment funds are authorized by the Investment Committee. The Plan Sponsor is responsible for determining the Plan's valuation policies and analyzing information that is used to determine the fair value of the pooled investment funds held by the Plan. The Plan Sponsor monitors all pooled investment fund activity by reviewing fund performance of existing funds and performing due diligence for potential future investments. As an extra level of security, the Plan Sponsor also utilizes the services of an investment consultant to monitor fund performance.

Interest-bearing cash — Valued at amortized cost, which approximates fair value

Noninterest-bearing cash — Valued at original cost, which approximates fair value

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

The following table summarizes the Plan's assets measured at fair value as of May 31, 2015:

Description	May 31, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Registered investment companies				
Small Cap	\$ 3,505,419	\$ 3,505,419	\$ -	\$ -
Mid Cap	12,409,228	12,409,228	-	-
Large Cap	20,603,718	20,603,718	-	-
Emerging Market	13,659,846	13,659,846	-	-
International	30,105,344	30,105,344	-	-
Real Estate	6,360,531	6,360,531	-	-
Fixed Income	33,714,956	33,714,956	-	-
Absolute Return	8,859,818	8,859,818	-	-
Total registered investment companies	129,218,860	129,218,860	-	-
Common/collective trusts				
U.S. Equity (a)	10,090,131	-	10,090,131	-
Common stock (U.S.)	12,962,638	12,962,638	-	-
Corporate bonds (investment grade)	12,154,581	-	12,154,581	-
Partnership/joint venture interests (b)	5,396,996	-	-	5,396,996
U.S. Government agency securities	3,656,484	-	3,656,484	-
Pooled investment funds (c)	6,540,135	-	-	6,540,135
Interest-bearing cash (d)	5,916,934	5,916,934	-	-
Non-interest-bearing cash	9	9	-	-
Total investments	<u>\$185,936,768</u>	<u>\$148,098,441</u>	<u>\$25,901,196</u>	<u>\$ 11,937,131</u>

(a) The fund's investment objective is to seek long term growth of capital by investing primarily in a wide variety of domestic equity securities. It invests in "growth" securities, primarily in issuers with large-market capitalizations at the time of investment. There are no redemption restrictions on the fund.

(b) Venture capital investments in start-up companies (<1%) as well as established rapidly growing companies (5%) and hedge funds that invest in yield oriented, defensive and uncorrelated investments (95%). For each of the partnerships, the Plan may withdraw up to 100% of the value of the capital account, upon at least 30 days written notice. The plan has no future funding commitments associated with these investments.

(c) The investment objective of this fund is to achieve attractive returns by investing in pooled investment vehicles. The current share class has a two-year lock-up period, after which time Materion can move to a two or one-year lock-up period, or fully redeem the shares. The plan has no future funding commitments associated with these investments.

(d) Money market funds that invest in U.S. dollar denominated securities with an income objective that seek to preserve the value of the investment at \$1.00 per share.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

The following table summarizes the Plan's assets measured at fair value as of May 31, 2014:

Description	May 31, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Registered investment companies				
Small Cap	\$ 3,826,923	\$ 3,826,923	\$ -	\$ -
Mid Cap	12,403,546	12,403,546	-	-
Large Cap	19,794,677	19,794,677	-	-
Emerging Market	14,360,183	14,360,183	-	-
International	24,569,747	24,569,747	-	-
Real Estate	5,916,177	5,916,177	-	-
Fixed Income	37,722,237	37,722,237	-	-
Money Market	2,187,055	2,187,055	-	-
Absolute Return	8,869,990	8,869,990	-	-
Total registered investment companies	129,650,535	129,650,535	-	-
Common/collective trusts				
U.S. Equity (a)	8,773,943	-	8,773,943	-
Common stock (U.S.)	12,967,846	12,967,846	-	-
Corporate bonds (investment grade)	3,893,681	-	3,893,681	-
Partnership/joint venture interests (b)	5,911,823	-	-	5,911,823
U.S. Government agency securities	3,920,895	-	3,920,895	-
Pooled investment funds (c)	6,500,000	-	-	6,500,000
Interest-bearing cash (d)	5,012,072	5,012,072	-	-
Non-interest-bearing cash	7	7	-	-
Total investments	<u>\$176,630,802</u>	<u>\$147,630,460</u>	<u>\$16,588,519</u>	<u>\$ 12,411,823</u>

(a) The fund's investment objective is to seek long term growth of capital by investing primarily in a wide variety of domestic equity securities. It invests in "growth" securities, primarily in issuers with large-market capitalizations at the time of investment. There are no redemption restrictions on the fund.

(b) Venture capital investments in start-up companies (<1%) as well as established rapidly growing companies (12%) and hedge funds that invest in yield oriented, defensive and uncorrelated investments (88%). For each of the partnerships, the Plan may withdraw up to 100% of the value of the capital account, upon at least 30 days written notice. The plan has no future funding commitments associated with these investments.

(c) The investment objective of this fund is to achieve attractive returns by investing in pooled investment vehicles. The current share class has a two-year lock-up period, after which time Materion can move to a two or one-year lock-up period, or fully redeem the shares. The plan has no future funding commitments associated with these investments.

(d) Money market funds that invest in U.S. dollar denominated securities with an income objective that seek to preserve the value of the investment at \$1.00 per share

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

For partnership/joint venture interests measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during plan year ended May 31, 2015, a reconciliation of the beginning and ending balances is as follows:

	Partnership/Joint Venture Interests
Beginning balance, June 1, 2014	\$ 5,911,823
Realized gain	11,135
Unrealized loss relating to investments still held at the reporting date	(424,248)
Sales	(101,714)
Ending balance, May 31, 2015	<u>\$ 5,396,996</u>

For pooled investment funds measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during plan year ended May 31, 2015, a reconciliation of the beginning and ending balances is as follows:

	Pooled Investment Fund
Beginning balance, June 1, 2014	\$ 6,500,000
Purchases	-
Realized gain (loss)	-
Unrealized gain relating to investments still held at the reporting date	40,135
Sales	-
Ending balance, May 31, 2015	<u>\$ 6,540,135</u>

Supplemental Schedules

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Wells Fargo Advanced Government MMF/Institutional 1751	2,187,274 units	2,187,274	2,187,274
Federated Prime Cash Obligations Fund Institutional Shares	159,345 units	159,345	159,345
Federated Treasury Obligations Fund Institutional Shares	3,570,315 units	3,570,315	3,570,315
Federal National Meeting Association DTD 10/9/84 0% 10/9/19	95,000 par	85,339	87,245
U.S. Treas N/B DTD 8/16/93 6.25% 8/15/23	285,000.00 par	315,273	378,383
U.S. Treas N/B DTD 2/15/96 6.00% 2/15/26	75,000.00 par	97,313	102,738
U.S. Treas N/B DTD 2/15/01 5.375% 2/15/31	250,000 par	283,313	344,745
U.S. Treas Bond DTD 8/15/09 4.5% 8/15/39	365,000 par	453,451	475,040
U.S. Treas N/B DTD 5/15/06 5.125% 5/15/16	200,000 par	238,664	209,156
U.S. Treas N/B DTD 5/15/07 4.5% 5/15/17	350,000 par	391,097	376,443
U.S. Treas NTS DTD 6/1/10 2.75% 5/31/17	900,000 par	914,414	938,106
U.S. Treas Note DTD 10/31/11 1.75% 10/31/18	150,000 par	155,666	153,341
U.S. Treas Note DTD 5/15/02 1.75% 5/15/22	450,000 par	427,166	447,399
U.S. Treas Note NTS DTD 7/01/13 1.375% 6/30/18	100,000 par	99,105	101,203
Tennessee Valley Authority DTD 7/23/97 5.88% 4/1/36	25,000 par	30,956	33,389
Americredit Automobile 6/12/14 .94 2/08/19	100,000 units	99,469	99,775
GE CAP CR CARD Master NT TR DTD 8/29/12 1.360 8/15/20	125,000 units	123,721	125,176
Morgan Stanley Cap I DTD 3/1/12 3.773% 3/17/45	100,000 units	100,688	106,510
Volkswagen Auto Lease Trust DTD 2/12/14 .800% 4/20/17	125,000 units	124,878	125,064
ABB Fin USA Inc DTD 5/8/12 2.875% 5/8/22	35,000 par	36,199	35,254
AT&T Corp DTD 5/15/02 8% 11/15/31	30,000 par	37,910	41,864
AT&T Inc 8/18/11 5.550 8/15/41	15,000 par	16,879	15,887
Abbvie Inc SR NT 5/14/15 3.200 11/6/22	2,000 par	1,996	2,009
Ace Ina Hldg Inc 6/8/09 5.900 6/15/19	30,000 par	33,695	34,387
Amazon Com Inc 12/5/14 3.300 12/5/21	10,000 par	9,963	10,289
Amerada Hess Corp DTD 3/5/02 7.125% 3/15/33	15,000 par	19,970	18,266
American Express Co 3/19/08 7.00 3/19/18	30,000 par	35,630	34,310
American Intl Group 10/18/06 5.600 10/18/16	30,000 par	32,926	31,816
American Tower Corp 12/7/10 4.500 1/15/18	5,000 par	5,414	5,333
Ameriprise Finl Inc DTD 3/11/10 5.3% 3/15/20	20,000 par	22,887	22,898
Amgen Inc. Sr Note DTD 1/16/09 5.7% 2/1/19	10,000 par	9,978	11,300
Anadarko Pete Corp DTD 3/5/09 8.7% 3/15/19	30,000 par	29,670	36,577
Anheuser-Busch InBev Wor DTD 3/14/11 7.75% 1/15/19	20,000 par	26,416	23,970
Aon Corp DTD 9/10/10 3.5% 9/30/15	2,000 par	1,990	2,019
Apache Corp Sr Note DTD 12/3/10 3.625% 2/1/21	10,000 par	10,782	10,451
Appalachian Pwr Co DTD 3/25/08 7% 4/1/38	35,000 par	47,212	46,215
Apple Inc Sr Nt 12/3/10 3.625 2/1/21	30,000 par	29,895	28,669
Arrow Electrs Inc 1/22/97 7.500 1/15/27	25,000 par	30,142	29,553
Arrow Electrs Inc DTD 6/3/98 6.875% 6/1/18	30,000 par	32,449	33,642
Atmos Energy Corp DTD 3/26/09 8.5% 3/15/19	20,000 par	19,963	24,505
Baltimore Gas & Electric Co DTD 8/17/12 2.8% 8/15/22	15,000 par	15,150	15,098
Bank of Amer Corp DTD 6/2/09 7.625% 6/1/19	60,000 par	73,721	71,964
Bank of Amer Corp Sr Nt 1/11/13 3.300 1/11/23	50,000 par	50,642	50,094
Bank of New York Inc Med Term DTD 11/16/09 4.6% 1/15/20	20,000 par	19,961	22,189
Bed Bath Beyond Inc 7/17/14 3.749 8/1/24	25,000 par	26,095	25,470
Bellsouth Cap Fndg DTD 2/16/00 7.875 Due 2/15/30	5,000 par	6,937	6,373
Berkshire Hathaway Fin Corp DTD 1/31/12 3.4 1/31/22	20,000 par	20,798	21,151
Biogen Idec Inc 3/4/08 6.875 3/1/18	10,000 par	11,597	11,427
Blackrock Inc DTD 3/18/14 3.500 3/18/24	15,000 par	15,897	15,603
Boeing Co DTD 7/7/93 7.25% 6/15/25	30,000 par	35,170	40,034
Bunge Ltd Fin Corp DTD 6/9/09 8.5% 6/15/19	35,000 par	35,896	42,728
Burlington Northern DTD 5/19/11 5.400 6/1/41	25,000 par	30,373	28,758
CBS Corp DTD 3/2/12 3.375% 3/1/22	10,000 par	9,869	10,060

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets (Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
CME Group Inc Sr Nt DTD 9/9/13 5.3% 9/15/43	10,000 par	9,982	11,781
CSX Corp DTD 4/25/07 5.6% 5/1/17	31,000 par	36,629	33,610
Capital One Financial Co DTD 8/29/06 6.15% 9/1/16	60,000 par	59,995	63,673
Caterpillar Fin Serv DTD 9/26/08 7.05% 10/1/18	10,000 par	9,967	11,739
Caterpillar Finl Svcs Corp DTD 2/12/09 7.15% 2/15/19	25,000 par	32,366	29,727
Centerpoint Energy Res Corp DTD 10/23/07 6.125% 11/1/17	10,000 par	9,966	11,090
Citigroup Inc DTD 3/5/08 6.875% 3/5/38	30,000 par	32,145	39,722
Citigroup Inc DTD 5/12/08 6.125 5/15/18	30,000 par	34,248	33,594
Daimler-Chrysler DTD 1/18/01 8.50% 1/18/31	25,000 par	38,020	38,142
Deere John Cap Corp Med DTD 2/27/12 2.75% 3/15/22	35,000 par	35,128	35,293
Deutsche Telekom Int Fin 8.75% 6/15/30	30,000 par	40,689	44,276
Diageo Cap plc DTD 10/26/07 5.75% 10/23/17	25,000 par	25,781	27,628
Diamond Offshore Drilling Inc 11/5/13 3.450 11/1/23	20,000 par	19,219	19,406
DirecTV Hldgs LLC/DirecTV Sr DTD 3/7/11 5% 3/1/21	30,000 par	30,419	33,036
Dow Chem Co DTD 5/6/08 5.7% 5/15/18	11,000 par	12,143	12,277
Duke Cap Corp 6/28/99 8.00 10/1/19	10,000 par	12,573	11,997
ERP Operating LP DTD 6/4/04 5.75% 6/15/17	15,000 par	14,874	16,333
ERP Operating LP DTD 12/12/11 4.625% 12/15/21	4,000 par	3,985	4,419
Eaton Corp DTD 3/16/09 6.95% 3/20/19	35,000 par	39,521	41,080
Ebay Inc DTD 7/24/12 2.6% 7/15/22	15,000 par	13,908	14,282
Energy Transfer Partners 1/22/13 3.600 2/1/23	13,000 par	12,884	12,654
Enterprise Prods Oper LLC Sr Nt 2/12/14 5.100 2/15/45	25,000 par	27,736	25,943
Exelon Corp DTD 6/9/05 4.9% 6/15/15	15,000 par	13,465	15,021
Fedex Corp Sr Nt 1/9/15 3.900 2/1/35	15,000 par	14,976	14,225
Freeport-McMoran 11/14/14 4.550 11/14/24	30,000 par	28,151	28,760
General Elec Cap Corp DTD 3/20/02 6.75% 3/15/32	80,000 par	93,004	107,806
Georgia Power Co Sr Note Ser 2010C .220 9/1/40	7,000 par	6,933	7,531
GlaxoSmithKline Cap Inc DTD 5/13/08 5.65% 5/15/18	20,000 par	21,899	22,465
Goldman Sachs DTD 2/13/03 6.125% 2/15/33	35,000 par	37,737	43,072
Goldman Sachs Group Inc DTD 7/27/11 5.25% 7/27/21	75,000 par	83,877	84,638
The Goldman Sachs Group Inc DTD 1/23/15 3.500 1/23/25 Opt Call 10/23/2024 @ 100.00	2,000 par	1,999	1,983
HCP Inc Sr Note DTD 1/24/11 5.375% 2/1/21	35,000 par	40,227	39,199
Halliburton Co DTD 11/14/11 3.25% 11/15/21	36,000 par	39,383	37,439
IBM DTD 10/30/95 7% 10/30/25	30,000 par	34,035	39,487
Kansas City Pwr & Lt Co DTD 3/24/09 7.15% 4/1/19	16,000 par	20,542	19,015
KeyCorp Med Term Sr Notes DTD 3/24/11 5.1% 3/24/21	39,000 par	44,841	43,934
Kimberly-Clark DTD 8/11/05 4.875% 8/15/15	15,000 par	14,757	15,136
Kroger Co DTD 5/11/01 7.5% 4/1/31	30,000 par	39,331	39,931
Kroger Co Sr Note DTD 7/13/10 5.4% 7/15/40	30,000 par	31,952	34,387
Lockheed Martin Corp 9/9/11 3.350 9/15/21	25,000 par	26,025	26,363
Lowes Companies Inc DTD 11/23/11 3.8% 11/15/21	15,000 par	15,149	16,249
Mufg Amers Hldgs Corp 2/10/15 3.000 2/10/25	15,000 par	14,920	14,560
Marathon Oil Corp DTD 3/4/02 6.8% 3/15/32	30,000 par	34,546	36,048
May Dept Stores DTD 7/20/04 6.65% 7/15/24	15,000 par	18,424	18,613
Metlife Inc DTD 6/23/05 5.7% 6/15/35	35,000 par	41,153	42,715
MidAmerican Energy Co DTD 3/25/08 5.3% 3/15/18	35,000 par	34,901	38,670
Morgan Stanley DTD 7/28/11 5.5% 7/28/21	60,000 par	68,821	68,734
Morgan Stanley DTD 3/22/12 4.75% 3/22/17	30,000 par	32,340	31,803
Morgan Stanley DTD 1/27/15 4.3% 1/27/45	5,000 par	4,963	4,848
National Oilwell Varco Inc Sr Nt 11/20/12 2.600 12/01/22	25,000 par	24,235	24,265
National Rural Utility Corp DTD 10/30/08 10.375% 11/1/18	35,000 par	46,830	44,869
NBC Universal Media LLC 4/1/11 4.375 4/1/21	25,000 par	28,033	27,478
Norfolk Southern Corp 7.25% 2/15/31	15,000 par	16,634	20,255

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Nucor Corp DTD 7/29/13 4.00 8/1/23	15,000 par	15,678	15,586
Oracle Corp DTD 4/9/08 5.75% 4/15/18	20,000 par	19,991	22,417
PNC Finl Svcs Group Inc Sub NT 4/28/14 3.900 4/29/24 Opt Call 3/29/24 @ 100	30,000 par	31,290	31,108
Pacific Gas & Elec Co DTD 3/6/09 6.25% 3/1/39	35,000 par	45,719	44,620
Principal Financial Group Inc DTD 5/21/09 8.875%5/15/19	15,000 par	20,411	18,665
Principal Financial Group Inc DTD 11/16/12 3.125% 5/15/23	15,000 par	14,979	14,844
Public Ser Colo DTD 8/13/08 6.5% 8/1/38	35,000 par	47,687	48,534
Raymond James Finl Inc 8/20/09 8.600 8/15/19	15,000 par	19,080	18,444
Republic Svcs Inc Sr Note DTD 3/15/10 5.5% 9/15/19	20,000 par	23,910	22,606
Ryder Sys Inc Med Term Notes DTD 2/26/13 2.35% 2/26/19	17,000 par	16,981	17,086
San Diego Gas DTD 5/19/05 5.35% 5/15/35	60,000 par	54,179	71,368
Simon Property Group LP DTD 3/25/09 10.35% 4/1/19	30,000 par	41,834	38,501
Southern Power Company DTD 7/16/13 5.25% 7/15/43	6,000 par	5,983	6,704
Spectra Energy Cap LLC 2/28/13 3.300 3/15/23	10,000 par	9,422	9,406
State Street Corp 11/19/13 3.700 11/20/23	15,000 par	16,230	15,899
TD Ameritrade Hldg Corp DTD 11/25/09 5.6% 12/1/19	15,000 par	17,882	17,269
Time Warner Entertainment Co. LP Sr Debt 8.375% 3/15/23	15,000 par	17,705	18,839
Time Warner Inc. DTD 4/1/11 4.75% 3/29/21	30,000 par	29,976	33,055
Toyota Motor CR Corp Med Term DTD 9/16/11 3.4% 9/15/21	35,000 par	34,912	37,394
Travelers Companies Inc DTD 6/2/09 5.9% 6/2/19	35,000 par	36,981	40,336
United Parcel Service Inc DTD 1/15/08 5.5% 1/15/38	15,000 par	20,358	19,361
US Bancorp Mtn 1/30/14 3.700 1/30/24 Opt Call 12/29/23 @ 100	25,000 par	26,972	26,466
UnitedHealth Group Inc DTD 11/10/11 3.375% 11/15/21	35,000 par	36,911	36,741
Verizon Communications Inc 9/18/13 3.650 9/14/18	40,000 par	42,694	42,167
Verizon Communications Inc 9/18/13 6.550 9/15/43	50,000 par	62,562	60,734
Virginia Elec & Pwr Co 2/7/14 3.450 2/15/24	15,000 par	15,354	15,676
Walmart Stores Inc DTD 10/14/93 6.75% 10/15/23	30,000 par	33,948	38,484
Wells Fargo & Co New DTD 9/15/10 Step Cpn 6/15/16	80,000 par	81,468	81,178
Xerox Corp 4/28/08 6.350 5/15/18	10,000 par	11,376	11,221
FN 254378 DTD 6/1/02 6.5% 7/1/32	7,862 units	22,246	9,296
Aon PLC 5/28/14 3.500 6/14/24	25,000 units	24,515	25,159
Actavis Funding SCS 3/12/15 3.800 3/15/25	50,000 units	51,416	50,351
BP CAP MKTS PLC GTD NT DTD 3/8/11 4.742% 3/11/21	15,000 par	15,000	16,909
Canadian Pacific Railway Co DTD 5/15/09 7.25% 5/15/19	30,000 par	38,315	35,677
Covidien Intl Fin S A Sr Nt 5/16/13 2.950 6/15/23	30,000 par	30,044	29,911
Deutsche Bank London Sr Note DTD 8/29/07 6.0% 9/1/17	25,000 par	28,835	27,390
Ensco PLC 3/12/15 5.200 3/15/25	3,000 par	2,989	3,093
HSBC Hldgs plc DTD 11/17/11 4.875% 1/14/22	50,000 par	56,612	55,922
Invesco Finance PLC 11/8/12 3.125 11/30/22	30,000 par	29,893	30,206
Noble Hold Int Ltd 3/16/15 4.00 3/16/18	15,000 par	15,374	15,409
Norsk Hydro ASA DTD 11/17/95 7.15% 11/15/25	25,000 par	35,279	33,444
Petrobras International Finance Co DTD 1/27/11 5.375% 1/27/21	35,000 par	38,259	34,143
Petroleos Mexicanos 7/24/12 4.875 1/24/22	50,000 par	53,379	52,563
Rio Tinto Financial USA Ltd DTD 4/17/09 9% 5/1/19	10,000 par	13,731	12,591
Shell International Fin DTD 12/11/08 6.375% 12/15/38	25,000 par	24,903	32,492
Suncor Energy Inc 6/28/07 6.500 6/15/38	15,000 par	19,265	18,832
Telefonica Emisiones S A 4/26/10 5.1340 4/27/20	15,000 par	16,875	16,680
Thomson Reuters Corp DTD 9/29/09 4.7% 10/15/19	30,000 par	29,895	32,949
Total Cap CDA Ltd 1/17/13 2.750 7/15/23	30,000 par	30,377	29,608
TransCanada Corp DTD 1/10/91 9.875% 1/1/21	10,000 par	15,169	13,495
TransCanada Pipelines DTD 1/9/09 7.125% 1/15/19	15,000 par	15,241	17,572
Vodafone Group plc DTD 6/10/09 5.45% 6/10/19	35,000 par	41,698	39,153
Westpac Banking DTD 11/19/09 4.875% 11/19/19	35,000 par	35,399	39,323

Materion Corporation Pension Plan

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Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
DFA 5 yr Global Fixed Income	1,274,645 par	14,519,888	14,135,812
JPMorgan Mtge Back Secs Fd-UL	617,105 par	6,587,684	7,028,827
Loomis Sayles Global Bond	822,972 par	13,040,439	12,550,317
Huntsman Corp	3,039 shares	77,348	68,195
Quaker Chemical Corp	361 shares	13,235	30,822
Crown Holdings	1,209 shares	52,949	66,846
Boise Cascade Co	761 shares	21,739	26,970
International Paper Co	1,301 shares	60,152	67,431
Meadwestvaco Corp	1,107 shares	56,483	55,948
Barrick Gold Corp	3,032 shares	52,748	35,960
Kaiser Aluminum Corp	287 shares	16,785	23,284
Stillwater Mng Co	1,468 shares	21,283	21,271
Dycom Industries Inc	254 shares	3,001	14,625
Emcor Group Inc	692 shares	23,733	31,396
Primoris Services Corp	1,081 shares	18,067	20,290
Energys	680 shares	30,762	45,315
Covenant Trans Inc Nev	646 shares	20,014	19,968
Knight Transportation Inc	872 shares	18,862	24,939
Saia Inc	842 shares	20,816	34,471
Ingersoll Rand Plc	731 shares	45,594	50,278
Actuant Corp - CL A	1,020 shares	25,755	23,970
Crane Co	507 shares	34,897	30,689
Greenbrier Cos Inc	379 shares	22,361	22,827
Harsco Corp	1,190 shares	20,149	19,171
Meritor Inc	2,213 shares	29,975	31,668
Wabash National Corp	2,105 shares	23,858	28,502
Delta Air Lines	2,260 shares	83,288	96,999
Hawaiian Hldgs Inc	1,024 shares	23,590	24,801
United Contl Hldgs Inc	1,233 shares	63,417	67,309
AAR Corp	600 shares	11,260	17,724
Aerjet Rocketdyne Hldgs Inc	1,135 shares	21,649	23,551
Esterline Technologies Corp	345 shares	24,152	37,319
General Dynamics Corp	385 shares	46,791	53,962
Honeywell International Inc	412 shares	36,654	42,930
Lockheed Martin Corp	800 shares	115,865	150,560
Raytheon Corp	1,205 shares	106,690	124,428
United Technologies Corp	1,366 shares	163,295	160,054
Avery Dennison Corp	925 shares	43,556	57,267
Deluxe Corp	671 shares	16,341	42,830
Swift Transportation Co - CL A	1,127 shares	16,667	26,225
American Axle & Mfg Holdings	1,510 shares	25,293	37,916
Copper Tire & Rubr Co	640 shares	18,979	23,494
Lear Corp	782 shares	63,653	90,728
Modine Manufacturing Co	2,047 shares	19,284	22,906
Marriott Vacations Worldwide Corp	563 shares	26,912	49,702
Red Robin Gourmet Burgers	395 shares	20,675	32,939
Ryman Hospitality Properties Inc	725 shares	31,347	39,955
Six Flags Entertainment Corp	1,034 shares	40,781	50,521
Brunswick Corp	537 shares	22,637	27,408
Carmike Cinemas Inc	978 shares	26,665	27,218
Apollo Education Group Inc	583 shares	18,758	9,666
La-Z-Boy Inc	1,147 shares	20,626	30,430
Meritage Homes Corp	519 shares	15,028	22,763

Materion Corporation Pension Plan

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(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Ryland Group Inc	811 shares	19,736	34,119
Liberty Global PLC	3,131 shares	124,780	168,291
Comcast Corp CL A	1,300 shares	66,578	75,998
Liberty Broadband Corp Com Ser C	693 shares	24,893	37,062
Liberty Media Corp Delaware CL A	472 shares	35,245	18,085
Liberty Media Corp Del Com Ser C	1,520 shares	29,206	57,699
Meredith Corp	775 shares	37,995	40,920
Omnicom Group Inc	514 shares	36,527	38,308
Scripps Network Interact Inc	679 shares	53,754	45,500
Time Warner Inc	950 shares	21,768	21,385
Macys Inc	918 shares	37,591	61,460
American Eagle Outfitters	1,306 shares	17,277	21,379
Ascena Retail Group Inc	2,126 shares	27,737	31,422
Brown Shoe Co	1,200 shares	28,702	37,116
The Gap Inc	2,001 shares	75,301	76,698
Home Depot Inc	493 shares	39,536	54,930
Shoe Carnival Inc	674 shares	14,236	18,629
Crocs Inc	1,679 shares	19,847	25,252
COTT Corp Que	2,297 shares	21,837	22,028
CVS/Caremark Corp	1,980 shares	101,559	202,712
Caseys Gen Stores Inc	295 shares	23,411	25,721
Supervalu Inc	2,573 shares	27,735	22,720
Treehouse Foods Inc	249 shares	12,861	17,761
Tyson Foods Inc CL A	3,151 shares	105,160	133,760
Bristow Group Inc	363 shares	25,820	21,054
Matrix SVC	1,424 shares	32,772	24,023
Phillips 66 COM	2,101 shares	149,317	166,231
Anadarko Pete Corp	779 shares	66,218	65,132
Canadian Nat Res Ltd	2,890 shares	99,277	89,128
Carizzo Oil & Gas Inc	696 shares	25,813	34,911
EOG RES Inc	906 shares	80,176	80,353
Marathon Petroleum Corp	737 shares	68,209	76,250
Matador Res Co	1,151 shares	28,377	31,699
Occidental Petroleum Corp	2,085 shares	167,049	163,026
QEP RES Inc	2,546 shares	75,790	47,941
WPX Energy Inc	1,642 shares	22,479	21,165
Amsurg Corp	764 shares	26,243	51,448
Anthem Inc	613 shares	86,495	102,892
Cigna Corp	497 shares	65,249	69,993
Express Script Holdings	1,857 shares	127,460	161,819
Healthsouth Corp	650 shares	16,018	28,054
Magellan Health Services Inc	415 shares	19,753	28,066
Molina Healthcare Inc	548 shares	20,129	39,862
Omnicare Inc	958 shares	55,993	91,288
Pharmerica Corp	1,137 shares	30,164	37,817
Quest Diagnostics	868 shares	51,026	65,300
WellCare Health Plans Inc	500 shares	28,152	42,835
Gilead Sciences	856 shares	82,635	96,103
Charles River Laboratories	336 shares	14,168	24,306
Abbvie Inc	1,579 shares	83,368	105,146
Impax Laboratories	620 shares	17,695	29,146
Johnson & Johnson	2,219 shares	212,666	222,211
Merck & Co Inc	3,066 shares	186,738	186,689

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Pfizer Inc	7,885 shares	255,682	274,004
Shire PLC ADR	177 shares	41,250	46,047
Teva Pharmaceutical Industries ADR	1,774 shares	96,951	106,617
Medtronic Inc	2,339 shares	151,271	178,512
Greatbatch Inc	730 shares	32,837	37,945
ICU Med Inc	259 shares	9,970	25,123
Zimmer Holdings	618 shares	59,900	70,508
BB&T Corp	1,761 shares	68,891	69,507
Bancorpsouth Inc	1,846 shares	29,843	44,655
Banner Corp	920 shares	28,677	41,418
Citigroup Inc	4,082 shares	162,090	220,755
Fifth Third Bancorp	2,187 shares	44,512	44,265
First Bancorp Puerto Rico	6,620 shares	39,264	40,514
First Commonwealth Financial Corp	2,520 shares	18,220	22,932
First Financial Bancorp Ohio	2,059 shares	36,096	35,765
First Horizon National Corp	3,384 shares	30,454	49,948
International Bancshares Corp Common	815 shares	21,437	21,272
OFG Bancorp	2,580 shares	36,288	33,901
Old National Bancorp Ind	2,360 shares	34,204	32,120
OPUS BK Irvine CA	592 shares	17,760	18,701
Synovus Financial Corp	1,879 shares	34,342	54,529
United Community Banks GA	2,003 shares	34,676	38,357
Wells Fargo & Co	6,029 shares	205,361	337,383
West America Bancorp	150 shares	6,825	6,864
Western Alliance Bancorp	1,804 shares	16,214	56,555
AON PLC CL A	678 shares	65,508	68,627
Validus Holding LTD	109 shares	4,238	4,677
XL GROUP PLC	1,536 shares	54,482	57,876
ACE Limited	1,177 shares	118,940	125,327
Allstate Corp	1,863 shares	89,032	125,417
American Equity Invst Life Hldg	1,600 shares	34,591	40,656
American Intl Group Inc	2,173 shares	124,391	127,360
Berkshire Hathaway Inc Del	2,455 shares	284,957	351,065
CNO Financial Group	2,302 shares	26,079	41,436
Metlife Inc	1,007 shares	52,878	52,626
Prudential Finl Inc	695 shares	61,661	58,804
RLI Corp	817 shares	26,390	39,763
Stewart Information Services Corp	910 shares	25,027	34,189
Symetra Finl Corp	1,114 shares	27,114	27,248
Travelers Cos Inc	724 shares	62,114	73,211
Astoria Financial Corp	3,180 shares	43,946	41,690
MGIC Invst Corp	4,830 shares	34,412	52,406
Radian Group Inc	3,225 shares	21,353	57,792
Capital One Financial Corp	3,377 shares	245,047	282,182
Discover Financial Services	2,245 shares	90,349	130,816
Investment Technology Group	1,309 shares	14,019	35,160
Janus Cap Group Inc	2,195 shares	21,337	39,839
JP Morgan Chase	5,642 shares	290,114	371,131
American Homes 4 Rent	2,014 shares	33,012	33,614
Cubesmart	939 shares	7,979	22,339
Diamondrock Hospitality Co	1,868 shares	16,328	24,602
Lexington Corporate PPTYS	3,148 shares	26,672	28,899
Mack-Kali Realty	1,720 shares	33,795	29,068

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		Current Value
		Cost	
Medical PPTY TR Inc	1,690 shares	19,013	22,916
Parkway PPTY TR Inc	1,535 shares	27,427	26,387
Pennsylvania REIT	1,050 shares	21,030	23,436
RAIT Financial TR	3,560 shares	22,091	22,642
Sunstone Hotel Investors Inc	2,609 shares	25,987	39,813
Verizon Communications	2,035 shares	100,076	100,610
Brooks Automation Inc	2,456 shares	25,103	27,605
Entegris	1,736 shares	22,291	24,182
Fairchild Semiconductor Intl CL A	2,233 shares	26,529	44,481
Intersil Corp	2,717 shares	29,004	36,680
ON Semiconductor Corp	3,272 shares	22,781	43,387
Photronics Inc	3,622 shares	21,609	36,546
Silicon Laboratories Inc	507 shares	25,891	28,108
Brocade Communications SYS Inc	7,434 shares	64,387	91,921
Ciena Corp	1,479 shares	27,602	35,673
Cisco Systems	7,264 shares	155,536	212,908
Harris Corp Del	645 shares	50,401	51,097
Seagate Technology PLC	715 shares	21,748	39,783
Apple Inc	1,945 shares	161,256	253,395
EMC Corp	3,980 shares	107,094	104,833
Hewlett Packard Co	2,324 shares	76,022	77,622
Qlogic Corp	2,079 shares	28,338	32,266
Western Digital Corp	1,052 shares	88,450	102,423
TE Connectivity LTD	1,483 shares	83,210	102,327
Benchmark Electrs Inc	1,050 shares	25,853	24,402
Littelfuse Inc	435 shares	31,593	42,065
Plexus Corp	958 shares	34,944	43,570
Synnex Corp	534 shares	23,396	44,146
Tech Data Corp	611 shares	32,606	38,566
Vishay Intertechnology Inc	2,036 shares	23,092	26,509
Activision Blizzard Inc	3,625 shares	79,986	91,568
Mentor Graphics Corp	1,718 shares	21,317	44,857
Microsoft Corp	4,443 shares	173,474	208,199
Oracle Corp	3,053 shares	119,633	132,775
NXP Semiconductors	677 shares	43,673	75,993
Unisys Corp	1,296 shares	33,007	26,620
Northwestern Corp	735 shares	29,287	38,235
Allete Inc	931 shares	47,473	46,876
PNM Res Inc	861 shares	13,400	22,894
EQT Corp	399 shares	41,592	33,943
Energen Corp	842 shares	63,498	58,266
South Jersey Inds Inc	1,090 shares	28,888	28,765
AES Corp	7,289 shares	89,151	99,130
Ally Finl Inc	3,153 shares	68,175	71,479
Berry Plastics Group Inc	624 shares	21,800	20,885
Central Pacific Financial Corp	1,731 shares	23,501	40,540
Dynegy Inc New Del	785 shares	27,974	25,387
Engility Holdings	897 shares	27,870	25,044
Kite Realty Group Trust	1,147 shares	27,842	31,026
Physicians Realty TR	1,500 shares	25,166	24,090
Rice Energy Inc	670 shares	18,405	14,693
Synergy Res Corp	3,108 shares	31,959	35,773
Maverick Stable Fund	6,500 shares	6,500,000	6,540,135

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		Current Value
		Cost	
Prudential Core Plus Bond Fund	53,188 shares	7,719,118	7,719,118
WTC CIF II Growth (Ser I) Port	382,751 shares	4,238,661	10,090,131
William Blair Institutional International Growth Fund	872,397 shares	12,396,257	14,455,622
DFA Emerging Markets Value #95	224,280 shares	6,448,055	6,055,564
DFA International Small Company #89	188,145 shares	2,890,901	3,546,534
DFA International Value #45	623,876 shares	11,713,280	12,103,188
Franklin Strategic Small Cap GRW	171,498 shares	3,134,097	3,505,419
Oppenheimer Developing Markets Fund	214,628 shares	6,747,641	7,604,282
Third Avenue Real Estate Value Fund	194,512 shares	3,876,358	6,360,531
Vanguard S&P Midcap 400 Index Fund	60,444 shares	7,924,499	12,409,228
Vanguard Institutional Index Fund #94	106,705 shares	13,195,442	20,603,718
Wells Fargo FDS Absolute RET Fund I	795,316 shares	8,906,168	8,859,818
Primus Cap Fund II	shares	1	-
Primus Cap Fund IV	2,179,135 shares	2,824	167
Primus Cap Fund V	286,956,921 shares	350,367	290,372
Kayne Anderson Capital Income Partners (QP), L.P.	2,960,935 shares	2,500,000	5,106,458
		<u>\$ 157,189,776</u>	<u>\$ 185,936,759</u>

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(j)—Schedule of Reportable Transactions

Year ended May 31, 2015

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Category (iii) - Series of transactions in excess of 5% of plan assets							
	Federated Treasury Obligations Fund Instl	13,038,248	-	-	13,038,248	13,038,248	-
		-	14,412,694	-	14,412,694	14,412,694	-

There were no category (i), (ii), or (iv) reportable transactions during the year ended May 31, 2015.

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

Materion Corporation Pension Plan

**May 31, 2015 and 2014 and Year ended May 31, 2015
with Report of Independent Auditors**

Materion Corporation Pension Plan

Financial Statements and Supplemental Schedules

May 31, 2015 and 2014 and Year ended May 31, 2015

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Report of Independent Auditors

To the Compensation Committee and Governance
and Organization Committee of the
Materion Corporation Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Materion Corporation Pension Plan, which comprise the statements of net assets available for benefits as of May 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended May 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 4, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of May 31, 2015 and 2014, and for the year ended May 31, 2015, stating that the investment information provided to the plan administrator is complete and accurate.



Disclaimer of Opinion on Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Disclaimer of Opinion on Supplemental Schedules

The accompanying supplemental schedules of assets (held at end of year) as of May 31, 2015, and reportable transactions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Compliance of Form and Content with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Ernst + Young LLP

March 15, 2016

Materion Corporation Pension Plan

Statements of Net Assets Available for Benefits

	May 31,	
	2015	2014
Assets		
Cash, noninterest-bearing	\$ 9	\$ 7
Receivables:		
Employer contributions	8,000,000	12,000,000
Accrued income	100,583	100,852
	<u>8,100,583</u>	<u>12,100,852</u>
Investments, at fair value:		
Interest-bearing cash	5,916,934	5,012,072
U.S. Government agency securities	3,656,484	3,920,895
Corporate bonds - preferred	456,525	376,884
Corporate bonds - other	11,698,056	3,516,797
Pooled Investment Fund	6,540,135	6,500,000
Common stock	12,962,638	12,967,846
Partnership/joint venture interests	5,396,996	5,911,823
Common/collective trusts	10,090,131	8,773,943
Registered investment companies	129,218,860	129,650,535
	<u>185,936,759</u>	<u>176,630,795</u>
Net assets available for benefits	<u><u>\$ 194,037,351</u></u>	<u><u>\$ 188,731,654</u></u>

See accompanying notes.

Materion Corporation Pension Plan

Statement of Changes in Net Assets Available for Benefits

Year ended May 31, 2015

Additions

Contributions:

Employer	\$ 8,000,000
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Investment income:

Net appreciation in fair value of investments	1,705,881
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Interest and dividends	4,990,064
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Other income	2,470
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	<u>6,698,415</u>
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Total additions

	<u>14,698,415</u>
--	-------------------

Deductions

Benefits paid to participants	8,692,902
-------------------------------	-----------

Administrative expenses	699,816
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	<u>9,392,718</u>
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Net increase

	5,305,697
--	-----------

Net assets available for benefits at beginning of year	188,731,654
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Net assets available for benefits at end of year	<u>\$ 194,037,351</u>
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See accompanying notes.

Materion Corporation Pension Plan

Notes to Financial Statements

May 31, 2015 and 2014 and Year ended May 31, 2015

1. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Materion Corporation (Company and Plan Administrator) Pension Plan (Plan) are prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition

Investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 8 for further discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

401(h) Account

Effective January 1, 2000, the Plan was amended to include a health and welfare component in addition to normal retirement benefits to fund a portion of the post-retirement obligations for retirees and their beneficiaries in accordance with Section 401(h) of the Internal Revenue Code. A separate account has been established and maintained in the Plan for such net assets. In accordance with Internal Revenue Code Section 401(h) and subject to Internal Revenue Code Section 420, the Plan's investment in the 401(h) account may not be used for, or diverted to, any purpose other than providing health and welfare plan's benefits for retirees and their beneficiaries. Any assets transferred to the 401(h) account from the defined benefit pension plan in a qualified transfer of excess pension plan assets (and any income allocable thereto) that are not used during the taxable year of the transfer must be transferred out of the account to the general assets of the Plan. The related obligations for health benefits are not a component of this Plan's accumulated plan benefits obligation. Qualified transfers to the 401(h) account are determined annually and are at the discretion of the Company. Excess pension assets shall not be transferred in any taxable year beginning after December 31, 2021 and no contributions shall be made to the 401(h) account. There have not been any qualified transfers to the 401(h) account since 2001. There is no balance in the 401(h) account at May 31, 2015 and 2014.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Payment of Benefits

Benefits are recorded when paid.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note 3) are those estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries. Benefits are based on employees' credited service and other factors. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements, accompanying notes and supplemental schedules. Actual results could differ from those estimates.

New Accounting Pronouncements

In May 2015, the FASB issued Accounting Standards Update 2015-07, *Disclosures for Investments in Certain Entities that Calculate Net Asset Value Per Share (or its Equivalent)*, (ASU 2015-07). ASU 2015-07 removes the requirement to categorize within the fair value hierarchy investments for which fair values are estimated using the net asset value practical expedient provided by Accounting Standards Codification 820, *Fair Value Measurement*. Disclosures about investments in certain entities that calculate net asset value per share are limited under ASU 2015-07 to those investments for which the entity has elected to estimate the fair value using the net asset value practical expedient. ASU 2015-07 is effective for entities (other than public business entities) for fiscal years beginning after December 15, 2016, with retrospective application to all periods presented. Early application is permitted. Management is currently in the process of evaluating the impact that the standard will have on the financial statements.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans*

(Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I of the ASU eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II of the ASU eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. It also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III of the ASU allows a plan with a fiscal year end that doesn't coincide with the end of a calendar month to measure its investments and investment-related accounts using the month end closest to its fiscal year end. The ASU is effective for fiscal years beginning after December 15, 2015. Parts I and II are to be applied retrospectively. Part III is to be applied prospectively. Plans can early adopt any of the ASU's three parts without early adopting the other parts. Management is currently in the process of evaluating the impact that the standard will have on the financial statements.

Subsequent Events

Management evaluated subsequent events for the Plan through March 15, 2016, the date the financial statements were available to be issued.

The Plan was amended effective January 1, 2016, to provide a temporary six month lump sum payment option following separation from employment for any participant whose present value does not then exceed \$100,000. During the temporary election period an immediate annuity form of payment is also available as required by law; the Plan's other methods of payment are not affected by this amendment.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

2. Description of Plan

The Plan is a defined benefit plan which covers the majority of employees of Materion Corporation and certain of its wholly owned subsidiaries and related affiliates and provides for retirement and disability retirement benefits. This Plan also provides death benefits.

The Company's present intention is to make contributions in amounts that would satisfy the Employee Retirement Income Security Act of 1974 (ERISA) minimum funding requirements, not to exceed maximum tax-deductible amounts. The Plan has met the ERISA minimum funding requirements for 2015 and 2014.

Should the Plan terminate, the net assets of the Plan will be allocated for payment to the participants in an order of priority as prescribed by ERISA and its related regulations and the plan document. Should the Plan terminate at some future time, its net assets will generally not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefits Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guarantee, while other benefits may not be provided for at all.

Information about the Plan's vesting and benefit provisions and the PBGC's benefit guarantee is contained in the Summary Plan Description (SPD). Participants should refer to the plan document and SPD for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Administrator.

In 2007, the Board of Directors of Materion Corporation authorized the Company to amend the Plan. This amendment is effective for all Materion hourly participants who terminate employment on or after April 1, 2007. Based on the amendment, the benefit unit per each year of credited service was increased by \$1 for all years of service.

In 2010, the Board of Directors of Materion Corporation authorized the Company to amend the Plan. This amendment is effective for all Materion employees who have met the eligibility conditions for early retirement (age 55 with 10 years of service) or normal retirement (age 65 with 5 years of service) and die while employed. Based on this amendment, this individual is deemed to have elected the 100% joint and survivor form of his or her pension benefit. His or her spouse would then receive the same reduced monthly pension that the employee would have received if they had survived and elected to commence their pension benefit under this option.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

2. Description of Plan (continued)

In 2012, the Board of Directors of Materion Corporation authorized the Company to amend the Plan. This amendment closed the plan to all employees hired or rehired on or after May 26, 2012. Employees hired prior to May 26, 2012 at covered locations continue to participate in the plan and to accrue future benefits. A second amendment, authorized in late 2012 and executed in 2013, allowed participants who had terminated from the Company prior to December 1, 2012 and who were entitled to but had not yet commenced a future monthly pension benefit as of January 1, 2013, a one-time opportunity to elect to receive either a lump sum payment payable May 1, 2013 in lieu of their future monthly pension benefit or the immediate commencement of their monthly pension benefit, payable beginning May 1, 2013, with such monthly pension benefit calculated to be actuarially equivalent to the lump sum payment.

The actuarial present value of accumulated plan benefits at May 31, 2015 and 2014 reflect these amendments.

3. Accumulated Plan Benefits

Consulting actuaries from Towers Watson estimated the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The accumulated plan benefit information as of the end of each plan year is as follows:

	May 31	
	2015	2014
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants receiving benefits	\$ 76,859,195	\$ 72,766,757
Other participants	76,389,578	75,293,737
	153,248,773	148,060,494
Non-vested accumulated benefits	8,632,949	8,023,443
	\$ 161,881,722	\$ 156,083,937

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

3. Accumulated Plan Benefits (continued)

The changes in the accumulated plan benefits for the current plan year are as follows:

	Year Ended May 31 2015
Actuarial present value of accumulated benefits at beginning of year	\$ 156,083,937
Changes during the year due to:	
Benefits accumulated	3,814,788
Actuarial (gains)/losses	(183,080)
Decrease in the discount period	11,248,540
Actual benefits paid	(8,692,902)
Assumption changes	(389,561)
Net increase	5,797,785
Actuarial present value of accumulated benefits at year end	\$ 161,881,722

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

3. Accumulated Plan Benefits (continued)

Significant assumptions underlying the actuarial computation are:

Rate of return	7.25% as of May 31, 2015 and May 31, 2014
Retirement	<i>Salaried, TMI, AMTS and Brewster Participants</i> —As of May 31, 2015 and May 31, 2014, 25% per year from age 65-69, with the remainder retiring at age 70, except employees who will have 30 years of service prior to age 65 are assumed to retire at age 63 or completion of 30 years of service, whichever is later. <i>Hourly Participants</i> —As of May 31, 2015 and May 31, 2014, for Newburyport and Tucson employees, 25% per year from age 65-69, with the remainder retiring at age 70. For all other employees, 25% per year from age 65-69, with the remainder retiring at age 70, except employees who will have 30 years of service prior to age 65 are assumed to retire based on a decrement schedule.
Actuarial cost method	Projected Unit Credit Cost Method
Mortality basis	RP-2014 Healthy Mortality Tables (with separate rates for males and females) with generational projection using Scale MP-2015 from 2006 (the base year of the study) at May 31, 2015 and Scale MP-2014 at May 31, 2014.

These actuarial assumptions were based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

4. Investments

All investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at May 31, 2015 and 2014, and net appreciation in fair value of investments and interest and dividends for the year ended May 31, 2015, was obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by Fifth Third Bank, the trustee.

During the year ended May 31, 2015, the Plan's investments (including investments purchased, sold, as well as held during the year) appreciated (depreciated) in fair value as follows:

Shares of registered investment companies	\$ (108,473)
Common collective trust	1,297,543
Common stock	929,240
U.S. Government agency securities	28,232
Corporate bonds	(67,683)
Pooled Investment Funds	40,135
Partnership/joint venture interests	(413,113)
	<u>\$ 1,705,881</u>

Investments that represent 5% or more of fair value of the Plan's net assets are as follows:

	May 31	
	2015	2014
Vanguard Institutional Index Fund #94	20,603,718	19,794,677
William Blair Institutional International Growth Fund	14,455,622	9,838,534
DFA 5 Year Global Fixed Income	14,135,812	11,850,606
Loomis Sayles Global Bond Fund	12,550,317	11,341,448
Vanguard S&P MidCap 400 Index Fund	12,409,228	12,403,546
DFA International Value Fund #45	12,103,188	11,153,048
WTC CIF II Growth Port	10,090,131	*

*This value was less than 5% of the Plan's net assets in the respective year. It is being shown for comparative purposes only.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

5. Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated June 23, 2014 stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (IRC), and therefore, the related trust is exempt from taxation. Subsequent to this issuance of the determination letter and as noted in the Subsequent Events section, the Plan was amended to reflect regulatory guidance. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualified status. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of May 31, 2015, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2011.

6. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

7. Allocated Insurance Contracts

During the plan year ended 1989, the Egbert Corporation Retirement Plan for Salaried Employees and the Egbert Corporation Retirement Plan for Hourly Employees (Egbert Plans) merged with the Plan. Net assets approximating \$7,100,000 were transferred to the Plan from the Egbert Plans. Prior to the merger, annuities of approximately \$14,300,000 were purchased to satisfy obligations to the participants of the Egbert Plans. During the 1991 Plan year, additional annuities of \$81,490 were purchased. The annuities are excluded from the net assets of the Plan.

8. Fair Value Measurements

Fair value is defined under ASC 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). To measure fair value, a hierarchy has been established that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. As such, the hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy in ASC 820 are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets and liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Observable inputs other than quoted prices that are used in the valuation of the asset or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity. Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measure in its entirety.

Following is a description of the valuation techniques and inputs used for each major class of assets and liabilities measured at fair value.

Registered investment companies — Valued based on observable market quotations for identical assets and priced on a daily basis at the close of business

Common/collective trusts — Valued at estimated fair values, which have been determined based on the net asset value (NAV) per unit of the funds

Common stock — Valued at the closing price reported on the active market on which the individual securities are traded

U.S. government agency securities and corporate bonds — Valued at fair value, which is estimated using evaluated bids from third parties using observable market inputs such as matrix pricing or broker quotes

Partnership/joint venture interests — Valued using NAV, which approximates fair value. NAV is based on the unit values of the interests. Unit values are determined by the issuer sponsoring such interests by dividing the fund's net assets at fair value by its units outstanding at the valuation dates. The Plan Sponsor has an appointed Investment Committee that is responsible for determining the Plan's asset allocation and oversight of the investments held by the Plan. The Investment Committee meets quarterly and monitors all investment activity by reviewing fund performance of existing funds. All new limited partnership investments are authorized by the Investment Committee. The Plan Sponsor is responsible for determining the Plan's valuation policies and analyzing information that is used to determine the fair value of the limited partnerships held by the Plan. The Plan Sponsor monitors all limited partnership activity by reviewing fund performance of existing funds and performing due diligence for potential

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

future investments. As an extra level of security, the Plan Sponsor also utilizes the services of an investment consultant to monitor fund performance.

Pooled Investment Funds - Valued at fair value estimated by the issuer, which has been determined based on the unit values of these funds. Unit values are determined by dividing the net asset value by the total units held by the Plan at year-end. The Plan Sponsor has an appointed Investment Committee that is responsible for determining the Plan's asset allocation and oversight of the investments held by the Plan. The Investment Committee meets quarterly and monitors all investment activity by reviewing fund performance of existing funds. All new pooled investment funds are authorized by the Investment Committee. The Plan Sponsor is responsible for determining the Plan's valuation policies and analyzing information that is used to determine the fair value of the pooled investment funds held by the Plan. The Plan Sponsor monitors all pooled investment fund activity by reviewing fund performance of existing funds and performing due diligence for potential future investments. As an extra level of security, the Plan Sponsor also utilizes the services of an investment consultant to monitor fund performance.

Interest-bearing cash — Valued at amortized cost, which approximates fair value

Noninterest-bearing cash — Valued at original cost, which approximates fair value

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

The following table summarizes the Plan's assets measured at fair value as of May 31, 2015:

Description	May 31, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Registered investment companies				
Small Cap	\$ 3,505,419	\$ 3,505,419	\$ -	\$ -
Mid Cap	12,409,228	12,409,228	-	-
Large Cap	20,603,718	20,603,718	-	-
Emerging Market	13,659,846	13,659,846	-	-
International	30,105,344	30,105,344	-	-
Real Estate	6,360,531	6,360,531	-	-
Fixed Income	33,714,956	33,714,956	-	-
Absolute Return	8,859,818	8,859,818	-	-
Total registered investment companies	129,218,860	129,218,860	-	-
Common/collective trusts				
U.S. Equity (a)	10,090,131	-	10,090,131	-
Common stock (U.S.)	12,962,638	12,962,638	-	-
Corporate bonds (investment grade)	12,154,581	-	12,154,581	-
Partnership/joint venture interests (b)	5,396,996	-	-	5,396,996
U.S. Government agency securities	3,656,484	-	3,656,484	-
Pooled investment funds (c)	6,540,135	-	-	6,540,135
Interest-bearing cash (d)	5,916,934	5,916,934	-	-
Non-interest-bearing cash	9	9	-	-
Total investments	<u>\$185,936,768</u>	<u>\$148,098,441</u>	<u>\$25,901,196</u>	<u>\$ 11,937,131</u>

(a) The fund's investment objective is to seek long term growth of capital by investing primarily in a wide variety of domestic equity securities. It invests in "growth" securities, primarily in issuers with large-market capitalizations at the time of investment. There are no redemption restrictions on the fund.

(b) Venture capital investments in start-up companies (<1%) as well as established rapidly growing companies (5%) and hedge funds that invest in yield oriented, defensive and uncorrelated investments (95%). For each of the partnerships, the Plan may withdraw up to 100% of the value of the capital account, upon at least 30 days written notice. The plan has no future funding commitments associated with these investments.

(c) The investment objective of this fund is to achieve attractive returns by investing in pooled investment vehicles. The current share class has a two-year lock-up period, after which time Materion can move to a two or one-year lock-up period, or fully redeem the shares. The plan has no future funding commitments associated with these investments.

(d) Money market funds that invest in U.S. dollar denominated securities with an income objective that seek to preserve the value of the investment at \$1.00 per share.

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

The following table summarizes the Plan's assets measured at fair value as of May 31, 2014:

Description	May 31, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Registered investment companies				
Small Cap	\$ 3,826,923	\$ 3,826,923	\$ -	\$ -
Mid Cap	12,403,546	12,403,546	-	-
Large Cap	19,794,677	19,794,677	-	-
Emerging Market	14,360,183	14,360,183	-	-
International	24,569,747	24,569,747	-	-
Real Estate	5,916,177	5,916,177	-	-
Fixed Income	37,722,237	37,722,237	-	-
Money Market	2,187,055	2,187,055	-	-
Absolute Return	8,869,990	8,869,990	-	-
Total registered investment companies	129,650,535	129,650,535	-	-
Common/collective trusts				
U.S. Equity (a)	8,773,943	-	8,773,943	-
Common stock (U.S.)	12,967,846	12,967,846	-	-
Corporate bonds (investment grade)	3,893,681	-	3,893,681	-
Partnership/joint venture interests (b)	5,911,823	-	-	5,911,823
U.S. Government agency securities	3,920,895	-	3,920,895	-
Pooled investment funds (c)	6,500,000	-	-	6,500,000
Interest-bearing cash (d)	5,012,072	5,012,072	-	-
Non-interest-bearing cash	7	7	-	-
Total investments	<u>\$176,630,802</u>	<u>\$147,630,460</u>	<u>\$16,588,519</u>	<u>\$ 12,411,823</u>

(a) The fund's investment objective is to seek long term growth of capital by investing primarily in a wide variety of domestic equity securities. It invests in "growth" securities, primarily in issuers with large-market capitalizations at the time of investment. There are no redemption restrictions on the fund.

(b) Venture capital investments in start-up companies (<1%) as well as established rapidly growing companies (12%) and hedge funds that invest in yield oriented, defensive and uncorrelated investments (88%). For each of the partnerships, the Plan may withdraw up to 100% of the value of the capital account, upon at least 30 days written notice. The plan has no future funding commitments associated with these investments.

(c) The investment objective of this fund is to achieve attractive returns by investing in pooled investment vehicles. The current share class has a two-year lock-up period, after which time Materion can move to a two or one-year lock-up period, or fully redeem the shares. The plan has no future funding commitments associated with these investments.

(d) Money market funds that invest in U.S. dollar denominated securities with an income objective that seek to preserve the value of the investment at \$1.00 per share

Materion Corporation Pension Plan

Notes to Financial Statements (continued)

8. Fair Value Measurements (continued)

For partnership/joint venture interests measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during plan year ended May 31, 2015, a reconciliation of the beginning and ending balances is as follows:

	Partnership/Joint Venture Interests
Beginning balance, June 1, 2014	\$ 5,911,823
Realized gain	11,135
Unrealized loss relating to investments still held at the reporting date	(424,248)
Sales	(101,714)
Ending balance, May 31, 2015	<u>\$ 5,396,996</u>

For pooled investment funds measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during plan year ended May 31, 2015, a reconciliation of the beginning and ending balances is as follows:

	Pooled Investment Fund
Beginning balance, June 1, 2014	\$ 6,500,000
Purchases	-
Realized gain (loss)	-
Unrealized gain relating to investments still held at the reporting date	40,135
Sales	-
Ending balance, May 31, 2015	<u>\$ 6,540,135</u>

Supplemental Schedules

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Wells Fargo Advanced Government MMF/Institutional 1751	2,187,274 units	2,187,274	2,187,274
Federated Prime Cash Obligations Fund Institutional Shares	159,345 units	159,345	159,345
Federated Treasury Obligations Fund Institutional Shares	3,570,315 units	3,570,315	3,570,315
Federal National Meeting Association DTD 10/9/84 0% 10/9/19	95,000 par	85,339	87,245
U.S. Treas N/B DTD 8/16/93 6.25% 8/15/23	285,000.00 par	315,273	378,383
U.S. Treas N/B DTD 2/15/96 6.00% 2/15/26	75,000.00 par	97,313	102,738
U.S. Treas N/B DTD 2/15/01 5.375% 2/15/31	250,000 par	283,313	344,745
U.S. Treas Bond DTD 8/15/09 4.5% 8/15/39	365,000 par	453,451	475,040
U.S. Treas N/B DTD 5/15/06 5.125% 5/15/16	200,000 par	238,664	209,156
U.S. Treas N/B DTD 5/15/07 4.5% 5/15/17	350,000 par	391,097	376,443
U.S. Treas NTS DTD 6/1/10 2.75% 5/31/17	900,000 par	914,414	938,106
U.S. Treas Note DTD 10/31/11 1.75% 10/31/18	150,000 par	155,666	153,341
U.S. Treas Note DTD 5/15/02 1.75% 5/15/22	450,000 par	427,166	447,399
U.S. Treas Note NTS DTD 7/01/13 1.375% 6/30/18	100,000 par	99,105	101,203
Tennessee Valley Authority DTD 7/23/97 5.88% 4/1/36	25,000 par	30,956	33,389
Americredit Automobile 6/12/14 .94 2/08/19	100,000 units	99,469	99,775
GE CAP CR CARD Master NT TR DTD 8/29/12 1.360 8/15/20	125,000 units	123,721	125,176
Morgan Stanley Cap I DTD 3/1/12 3.773% 3/17/45	100,000 units	100,688	106,510
Volkswagen Auto Lease Trust DTD 2/12/14 .800% 4/20/17	125,000 units	124,878	125,064
ABB Fin USA Inc DTD 5/8/12 2.875% 5/8/22	35,000 par	36,199	35,254
AT&T Corp DTD 5/15/02 8% 11/15/31	30,000 par	37,910	41,864
AT&T Inc 8/18/11 5.550 8/15/41	15,000 par	16,879	15,887
Abbvie Inc SR NT 5/14/15 3.200 11/6/22	2,000 par	1,996	2,009
Ace Ina Hldg Inc 6/8/09 5.900 6/15/19	30,000 par	33,695	34,387
Amazon Com Inc 12/5/14 3.300 12/5/21	10,000 par	9,963	10,289
Amerada Hess Corp DTD 3/5/02 7.125% 3/15/33	15,000 par	19,970	18,266
American Express Co 3/19/08 7.00 3/19/18	30,000 par	35,630	34,310
American Intl Group 10/18/06 5.600 10/18/16	30,000 par	32,926	31,816
American Tower Corp 12/7/10 4.500 1/15/18	5,000 par	5,414	5,333
Ameriprise Finl Inc DTD 3/11/10 5.3% 3/15/20	20,000 par	22,887	22,898
Amgen Inc. Sr Note DTD 1/16/09 5.7% 2/1/19	10,000 par	9,978	11,300
Anadarko Pete Corp DTD 3/5/09 8.7% 3/15/19	30,000 par	29,670	36,577
Anheuser-Busch InBev Wor DTD 3/14/11 7.75% 1/15/19	20,000 par	26,416	23,970
Aon Corp DTD 9/10/10 3.5% 9/30/15	2,000 par	1,990	2,019
Apache Corp Sr Note DTD 12/3/10 3.625% 2/1/21	10,000 par	10,782	10,451
Appalachian Pwr Co DTD 3/25/08 7% 4/1/38	35,000 par	47,212	46,215
Apple Inc Sr Nt 12/3/10 3.625 2/1/21	30,000 par	29,895	28,669
Arrow Electrs Inc 1/22/97 7.500 1/15/27	25,000 par	30,142	29,553
Arrow Electrs Inc DTD 6/3/98 6.875% 6/1/18	30,000 par	32,449	33,642
Atmos Energy Corp DTD 3/26/09 8.5% 3/15/19	20,000 par	19,963	24,505
Baltimore Gas & Electric Co DTD 8/17/12 2.8% 8/15/22	15,000 par	15,150	15,098
Bank of Amer Corp DTD 6/2/09 7.625% 6/1/19	60,000 par	73,721	71,964
Bank of Amer Corp Sr Nt 1/11/13 3.300 1/11/23	50,000 par	50,642	50,094
Bank of New York Inc Med Term DTD 11/16/09 4.6% 1/15/20	20,000 par	19,961	22,189
Bed Bath Beyond Inc 7/17/14 3.749 8/1/24	25,000 par	26,095	25,470
Bellsouth Cap Fndg DTD 2/16/00 7.875 Due 2/15/30	5,000 par	6,937	6,373
Berkshire Hathaway Fin Corp DTD 1/31/12 3.4 1/31/22	20,000 par	20,798	21,151
Biogen Idec Inc 3/4/08 6.875 3/1/18	10,000 par	11,597	11,427
Blackrock Inc DTD 3/18/14 3.500 3/18/24	15,000 par	15,897	15,603
Boeing Co DTD 7/7/93 7.25% 6/15/25	30,000 par	35,170	40,034
Bunge Ltd Fin Corp DTD 6/9/09 8.5% 6/15/19	35,000 par	35,896	42,728
Burlington Northern DTD 5/19/11 5.400 6/1/41	25,000 par	30,373	28,758
CBS Corp DTD 3/2/12 3.375% 3/1/22	10,000 par	9,869	10,060

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets (Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
CME Group Inc Sr Nt DTD 9/9/13 5.3% 9/15/43	10,000 par	9,982	11,781
CSX Corp DTD 4/25/07 5.6% 5/1/17	31,000 par	36,629	33,610
Capital One Financial Co DTD 8/29/06 6.15% 9/1/16	60,000 par	59,995	63,673
Caterpillar Fin Serv DTD 9/26/08 7.05% 10/1/18	10,000 par	9,967	11,739
Caterpillar Finl Svcs Corp DTD 2/12/09 7.15% 2/15/19	25,000 par	32,366	29,727
Centerpoint Energy Res Corp DTD 10/23/07 6.125% 11/1/17	10,000 par	9,966	11,090
Citigroup Inc DTD 3/5/08 6.875% 3/5/38	30,000 par	32,145	39,722
Citigroup Inc DTD 5/12/08 6.125 5/15/18	30,000 par	34,248	33,594
Daimler-Chrysler DTD 1/18/01 8.50% 1/18/31	25,000 par	38,020	38,142
Deere John Cap Corp Med DTD 2/27/12 2.75% 3/15/22	35,000 par	35,128	35,293
Deutsche Telekom Int Fin 8.75% 6/15/30	30,000 par	40,689	44,276
Diageo Cap plc DTD 10/26/07 5.75% 10/23/17	25,000 par	25,781	27,628
Diamond Offshore Drilling Inc 11/5/13 3.450 11/1/23	20,000 par	19,219	19,406
DirectTV Hldgs LLC/DirectTV Sr DTD 3/7/11 5% 3/1/21	30,000 par	30,419	33,036
Dow Chem Co DTD 5/6/08 5.7% 5/15/18	11,000 par	12,143	12,277
Duke Cap Corp 6/28/99 8.00 10/1/19	10,000 par	12,573	11,997
ERP Operating LP DTD 6/4/04 5.75% 6/15/17	15,000 par	14,874	16,333
ERP Operating LP DTD 12/12/11 4.625% 12/15/21	4,000 par	3,985	4,419
Eaton Corp DTD 3/16/09 6.95% 3/20/19	35,000 par	39,521	41,080
Ebay Inc DTD 7/24/12 2.6% 7/15/22	15,000 par	13,908	14,282
Energy Transfer Partners 1/22/13 3.600 2/1/23	13,000 par	12,884	12,654
Enterprise Prods Oper LLC Sr Nt 2/12/14 5.100 2/15/45	25,000 par	27,736	25,943
Exelon Corp DTD 6/9/05 4.9% 6/15/15	15,000 par	13,465	15,021
Fedex Corp Sr Nt 1/9/15 3.900 2/1/35	15,000 par	14,976	14,225
Freeport-McMoran 11/14/14 4.550 11/14/24	30,000 par	28,151	28,760
General Elec Cap Corp DTD 3/20/02 6.75% 3/15/32	80,000 par	93,004	107,806
Georgia Power Co Sr Note Ser 2010C .220 9/1/40	7,000 par	6,933	7,531
GlaxoSmithKline Cap Inc DTD 5/13/08 5.65% 5/15/18	20,000 par	21,899	22,465
Goldman Sachs DTD 2/13/03 6.125% 2/15/33	35,000 par	37,737	43,072
Goldman Sachs Group Inc DTD 7/27/11 5.25% 7/27/21	75,000 par	83,877	84,638
The Goldman Sachs Group Inc DTD 1/23/15 3.500 1/23/25 Opt Call 10/23/2024 @ 100.00	2,000 par	1,999	1,983
HCP Inc Sr Note DTD 1/24/11 5.375% 2/1/21	35,000 par	40,227	39,199
Halliburton Co DTD 11/14/11 3.25% 11/15/21	36,000 par	39,383	37,439
IBM DTD 10/30/95 7% 10/30/25	30,000 par	34,035	39,487
Kansas City Pwr & Lt Co DTD 3/24/09 7.15% 4/1/19	16,000 par	20,542	19,015
KeyCorp Med Term Sr Notes DTD 3/24/11 5.1% 3/24/21	39,000 par	44,841	43,934
Kimberly-Clark DTD 8/11/05 4.875% 8/15/15	15,000 par	14,757	15,136
Kroger Co DTD 5/11/01 7.5% 4/1/31	30,000 par	39,331	39,931
Kroger Co Sr Note DTD 7/13/10 5.4% 7/15/40	30,000 par	31,952	34,387
Lockheed Martin Corp 9/9/11 3.350 9/15/21	25,000 par	26,025	26,363
Lowes Companies Inc DTD 11/23/11 3.8% 11/15/21	15,000 par	15,149	16,249
Mufg Amers Hldgs Corp 2/10/15 3.000 2/10/25	15,000 par	14,920	14,560
Marathon Oil Corp DTD 3/4/02 6.8% 3/15/32	30,000 par	34,546	36,048
May Dept Stores DTD 7/20/04 6.65% 7/15/24	15,000 par	18,424	18,613
Metlife Inc DTD 6/23/05 5.7% 6/15/35	35,000 par	41,153	42,715
MidAmerican Energy Co DTD 3/25/08 5.3% 3/15/18	35,000 par	34,901	38,670
Morgan Stanley DTD 7/28/11 5.5% 7/28/21	60,000 par	68,821	68,734
Morgan Stanley DTD 3/22/12 4.75% 3/22/17	30,000 par	32,340	31,803
Morgan Stanley DTD 1/27/15 4.3% 1/27/45	5,000 par	4,963	4,848
National Oilwell Varco Inc Sr Nt 11/20/12 2.600 12/01/22	25,000 par	24,235	24,265
National Rural Utility Corp DTD 10/30/08 10.375% 11/1/18	35,000 par	46,830	44,869
NBC Universal Media LLC 4/1/11 4.375 4/1/21	25,000 par	28,033	27,478
Norfolk Southern Corp 7.25% 2/15/31	15,000 par	16,634	20,255

Materion Corporation Pension Plan

EIN: 34-1919973 Plan Number: 001

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Nucor Corp DTD 7/29/13 4.00 8/1/23	15,000 par	15,678	15,586
Oracle Corp DTD 4/9/08 5.75% 4/15/18	20,000 par	19,991	22,417
PNC Finl Svcs Group Inc Sub NT 4/28/14 3.900 4/29/24 Opt Call 3/29/24 @ 100	30,000 par	31,290	31,108
Pacific Gas & Elec Co DTD 3/6/09 6.25% 3/1/39	35,000 par	45,719	44,620
Principal Financial Group Inc DTD 5/21/09 8.875%5/15/19	15,000 par	20,411	18,665
Principal Financial Group Inc DTD 11/16/12 3.125% 5/15/23	15,000 par	14,979	14,844
Public Ser Colo DTD 8/13/08 6.5% 8/1/38	35,000 par	47,687	48,534
Raymond James Finl Inc 8/20/09 8.600 8/15/19	15,000 par	19,080	18,444
Republic Svcs Inc Sr Note DTD 3/15/10 5.5% 9/15/19	20,000 par	23,910	22,606
Ryder Sys Inc Med Term Notes DTD 2/26/13 2.35% 2/26/19	17,000 par	16,981	17,086
San Diego Gas DTD 5/19/05 5.35% 5/15/35	60,000 par	54,179	71,368
Simon Property Group LP DTD 3/25/09 10.35% 4/1/19	30,000 par	41,834	38,501
Southern Power Company DTD 7/16/13 5.25% 7/15/43	6,000 par	5,983	6,704
Spectra Energy Cap LLC 2/28/13 3.300 3/15/23	10,000 par	9,422	9,406
State Street Corp 11/19/13 3.700 11/20/23	15,000 par	16,230	15,899
TD Ameritrade Hldg Corp DTD 11/25/09 5.6% 12/1/19	15,000 par	17,882	17,269
Time Warner Entertainment Co. LP Sr Debt 8.375% 3/15/23	15,000 par	17,705	18,839
Time Warner Inc. DTD 4/1/11 4.75% 3/29/21	30,000 par	29,976	33,055
Toyota Motor CR Corp Med Term DTD 9/16/11 3.4% 9/15/21	35,000 par	34,912	37,394
Travelers Companies Inc DTD 6/2/09 5.9% 6/2/19	35,000 par	36,981	40,336
United Parcel Service Inc DTD 1/15/08 5.5% 1/15/38	15,000 par	20,358	19,361
US Bancorp Mtn 1/30/14 3.700 1/30/24 Opt Call 12/29/23 @ 100	25,000 par	26,972	26,466
UnitedHealth Group Inc DTD 11/10/11 3.375% 11/15/21	35,000 par	36,911	36,741
Verizon Communications Inc 9/18/13 3.650 9/14/18	40,000 par	42,694	42,167
Verizon Communications Inc 9/18/13 6.550 9/15/43	50,000 par	62,562	60,734
Virginia Elec & Pwr Co 2/7/14 3.450 2/15/24	15,000 par	15,354	15,676
Walmart Stores Inc DTD 10/14/93 6.75% 10/15/23	30,000 par	33,948	38,484
Wells Fargo & Co New DTD 9/15/10 Step Cpn 6/15/16	80,000 par	81,468	81,178
Xerox Corp 4/28/08 6.350 5/15/18	10,000 par	11,376	11,221
FN 254378 DTD 6/1/02 6.5% 7/1/32	7,862 units	22,246	9,296
Aon PLC 5/28/14 3.500 6/14/24	25,000 units	24,515	25,159
Actavis Funding SCS 3/12/15 3.800 3/15/25	50,000 units	51,416	50,351
BP CAP MKTS PLC GTD NT DTD 3/8/11 4.742% 3/11/21	15,000 par	15,000	16,909
Canadian Pacific Railway Co DTD 5/15/09 7.25% 5/15/19	30,000 par	38,315	35,677
Covidien Intl Fin S A Sr Nt 5/16/13 2.950 6/15/23	30,000 par	30,044	29,911
Deutsche Bank London Sr Note DTD 8/29/07 6.0% 9/1/17	25,000 par	28,835	27,390
Ensco PLC 3/12/15 5.200 3/15/25	3,000 par	2,989	3,093
HSBC Hldgs plc DTD 11/17/11 4.875% 1/14/22	50,000 par	56,612	55,922
Invesco Finance PLC 11/8/12 3.125 11/30/22	30,000 par	29,893	30,206
Noble Hold Int Ltd 3/16/15 4.00 3/16/18	15,000 par	15,374	15,409
Norsk Hydro ASA DTD 11/17/95 7.15% 11/15/25	25,000 par	35,279	33,444
Petrobras International Finance Co DTD 1/27/11 5.375% 1/27/21	35,000 par	38,259	34,143
Petroleos Mexicanos 7/24/12 4.875 1/24/22	50,000 par	53,379	52,563
Rio Tinto Financial USA Ltd DTD 4/17/09 9% 5/1/19	10,000 par	13,731	12,591
Shell International Fin DTD 12/11/08 6.375% 12/15/38	25,000 par	24,903	32,492
Suncor Energy Inc 6/28/07 6.500 6/15/38	15,000 par	19,265	18,832
Telefonica Emisiones S A 4/26/10 5.1340 4/27/20	15,000 par	16,875	16,680
Thomson Reuters Corp DTD 9/29/09 4.7% 10/15/19	30,000 par	29,895	32,949
Total Cap CDA Ltd 1/17/13 2.750 7/15/23	30,000 par	30,377	29,608
TransCanada Corp DTD 1/10/91 9.875% 1/1/21	10,000 par	15,169	13,495
TransCanada Pipelines DTD 1/9/09 7.125% 1/15/19	15,000 par	15,241	17,572
Vodafone Group plc DTD 6/10/09 5.45% 6/10/19	35,000 par	41,698	39,153
Westpac Banking DTD 11/19/09 4.875% 11/19/19	35,000 par	35,399	39,323

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Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
DFA 5 yr Global Fixed Income	1,274,645 par	14,519,888	14,135,812
JPMorgan Mtge Back Secs Fd-UL	617,105 par	6,587,684	7,028,827
Loomis Sayles Global Bond	822,972 par	13,040,439	12,550,317
Huntsman Corp	3,039 shares	77,348	68,195
Quaker Chemical Corp	361 shares	13,235	30,822
Crown Holdings	1,209 shares	52,949	66,846
Boise Cascade Co	761 shares	21,739	26,970
International Paper Co	1,301 shares	60,152	67,431
Meadwestvaco Corp	1,107 shares	56,483	55,948
Barrick Gold Corp	3,032 shares	52,748	35,960
Kaiser Aluminum Corp	287 shares	16,785	23,284
Stillwater Mng Co	1,468 shares	21,283	21,271
Dycom Industries Inc	254 shares	3,001	14,625
Emcor Group Inc	692 shares	23,733	31,396
Primoris Services Corp	1,081 shares	18,067	20,290
Energysys	680 shares	30,762	45,315
Covenant Trans Inc Nev	646 shares	20,014	19,968
Knight Transportation Inc	872 shares	18,862	24,939
Saia Inc	842 shares	20,816	34,471
Ingersoll Rand Plc	731 shares	45,594	50,278
Actuant Corp - CL A	1,020 shares	25,755	23,970
Crane Co	507 shares	34,897	30,689
Greenbrier Cos Inc	379 shares	22,361	22,827
Harsco Corp	1,190 shares	20,149	19,171
Meritor Inc	2,213 shares	29,975	31,668
Wabash National Corp	2,105 shares	23,858	28,502
Delta Air Lines	2,260 shares	83,288	96,999
Hawaiian Hldgs Inc	1,024 shares	23,590	24,801
United Contl Hldgs Inc	1,233 shares	63,417	67,309
AAR Corp	600 shares	11,260	17,724
Aerjet Rocketdyne Hldgs Inc	1,135 shares	21,649	23,551
Esterline Technologies Corp	345 shares	24,152	37,319
General Dynamics Corp	385 shares	46,791	53,962
Honeywell International Inc	412 shares	36,654	42,930
Lockheed Martin Corp	800 shares	115,865	150,560
Raytheon Corp	1,205 shares	106,690	124,428
United Technologies Corp	1,366 shares	163,295	160,054
Avery Dennison Corp	925 shares	43,556	57,267
Deluxe Corp	671 shares	16,341	42,830
Swift Transportation Co - CL A	1,127 shares	16,667	26,225
American Axle & Mfg Holdings	1,510 shares	25,293	37,916
Copper Tire & Rubr Co	640 shares	18,979	23,494
Lear Corp	782 shares	63,653	90,728
Modine Manufacturing Co	2,047 shares	19,284	22,906
Marriott Vacations Worldwide Corp	563 shares	26,912	49,702
Red Robin Gourmet Burgers	395 shares	20,675	32,939
Ryman Hospitality Properties Inc	725 shares	31,347	39,955
Six Flags Entertainment Corp	1,034 shares	40,781	50,521
Brunswick Corp	537 shares	22,637	27,408
Carmike Cinemas Inc	978 shares	26,665	27,218
Apollo Education Group Inc	583 shares	18,758	9,666
La-Z-Boy Inc	1,147 shares	20,626	30,430
Meritage Homes Corp	519 shares	15,028	22,763

Materion Corporation Pension Plan

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Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Ryland Group Inc	811 shares	19,736	34,119
Liberty Global PLC	3,131 shares	124,780	168,291
Comcast Corp CL A	1,300 shares	66,578	75,998
Liberty Broadband Corp Com Ser C	693 shares	24,893	37,062
Liberty Media Corp Delaware CL A	472 shares	35,245	18,085
Liberty Media Corp Del Com Ser C	1,520 shares	29,206	57,699
Meredith Corp	775 shares	37,995	40,920
Omnicom Group Inc	514 shares	36,527	38,308
Scripps Network Interact Inc	679 shares	53,754	45,500
Time Warner Inc	950 shares	21,768	21,385
Macys Inc	918 shares	37,591	61,460
American Eagle Outfitters	1,306 shares	17,277	21,379
Ascena Retail Group Inc	2,126 shares	27,737	31,422
Brown Shoe Co	1,200 shares	28,702	37,116
The Gap Inc	2,001 shares	75,301	76,698
Home Depot Inc	493 shares	39,536	54,930
Shoe Carnival Inc	674 shares	14,236	18,629
Crocs Inc	1,679 shares	19,847	25,252
COTT Corp Que	2,297 shares	21,837	22,028
CVS/Caremark Corp	1,980 shares	101,559	202,712
Caseys Gen Stores Inc	295 shares	23,411	25,721
Supervalu Inc	2,573 shares	27,735	22,720
Treehouse Foods Inc	249 shares	12,861	17,761
Tyson Foods Inc CL A	3,151 shares	105,160	133,760
Bristow Group Inc	363 shares	25,820	21,054
Matrix SVC	1,424 shares	32,772	24,023
Phillips 66 COM	2,101 shares	149,317	166,231
Anadarko Pete Corp	779 shares	66,218	65,132
Canadian Nat Res Ltd	2,890 shares	99,277	89,128
Carizzo Oil & Gas Inc	696 shares	25,813	34,911
EOG RES Inc	906 shares	80,176	80,353
Marathon Petroleum Corp	737 shares	68,209	76,250
Matador Res Co	1,151 shares	28,377	31,699
Occidental Petroleum Corp	2,085 shares	167,049	163,026
QEP RES Inc	2,546 shares	75,790	47,941
WPX Energy Inc	1,642 shares	22,479	21,165
Amsurg Corp	764 shares	26,243	51,448
Anthem Inc	613 shares	86,495	102,892
Cigna Corp	497 shares	65,249	69,993
Express Script Holdings	1,857 shares	127,460	161,819
Healthsouth Corp	650 shares	16,018	28,054
Magellan Health Services Inc	415 shares	19,753	28,066
Molina Healthcare Inc	548 shares	20,129	39,862
Omnicare Inc	958 shares	55,993	91,288
Pharmerica Corp	1,137 shares	30,164	37,817
Quest Diagnostics	868 shares	51,026	65,300
WellCare Health Plans Inc	500 shares	28,152	42,835
Gilead Sciences	856 shares	82,635	96,103
Charles River Laboratories	336 shares	14,168	24,306
Abbvie Inc	1,579 shares	83,368	105,146
Impax Laboratories	620 shares	17,695	29,146
Johnson & Johnson	2,219 shares	212,666	222,211
Merck & Co Inc	3,066 shares	186,738	186,689

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Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Pfizer Inc	7,885 shares	255,682	274,004
Shire PLC ADR	177 shares	41,250	46,047
Teva Pharmaceutical Industries ADR	1,774 shares	96,951	106,617
Medtronic Inc	2,339 shares	151,271	178,512
Greatbatch Inc	730 shares	32,837	37,945
ICU Med Inc	259 shares	9,970	25,123
Zimmer Holdings	618 shares	59,900	70,508
BB&T Corp	1,761 shares	68,891	69,507
Bancorpsouth Inc	1,846 shares	29,843	44,655
Banner Corp	920 shares	28,677	41,418
Citigroup Inc	4,082 shares	162,090	220,755
Fifth Third Bancorp	2,187 shares	44,512	44,265
First Bancorp Puerto Rico	6,620 shares	39,264	40,514
First Commonwealth Financial Corp	2,520 shares	18,220	22,932
First Financial Bancorp Ohio	2,059 shares	36,096	35,765
First Horizon National Corp	3,384 shares	30,454	49,948
International Bancshares Corp Common	815 shares	21,437	21,272
OFG Bancorp	2,580 shares	36,288	33,901
Old National Bancorp Ind	2,360 shares	34,204	32,120
OPUS BK Irvine CA	592 shares	17,760	18,701
Synovus Financial Corp	1,879 shares	34,342	54,529
United Community Banks GA	2,003 shares	34,676	38,357
Wells Fargo & Co	6,029 shares	205,361	337,383
West America Bancorp	150 shares	6,825	6,864
Western Alliance Bancorp	1,804 shares	16,214	56,555
AON PLC CL A	678 shares	65,508	68,627
Validus Holding LTD	109 shares	4,238	4,677
XL GROUP PLC	1,536 shares	54,482	57,876
ACE Limited	1,177 shares	118,940	125,327
Allstate Corp	1,863 shares	89,032	125,417
American Equity Invst Life Hldg	1,600 shares	34,591	40,656
American Intl Group Inc	2,173 shares	124,391	127,360
Berkshire Hathaway Inc Del	2,455 shares	284,957	351,065
CNO Financial Group	2,302 shares	26,079	41,436
Metlife Inc	1,007 shares	52,878	52,626
Prudential Finl Inc	695 shares	61,661	58,804
RLI Corp	817 shares	26,390	39,763
Stewart Information Services Corp	910 shares	25,027	34,189
Symetra Finl Corp	1,114 shares	27,114	27,248
Travelers Cos Inc	724 shares	62,114	73,211
Astoria Financial Corp	3,180 shares	43,946	41,690
MGIC Invst Corp	4,830 shares	34,412	52,406
Radian Group Inc	3,225 shares	21,353	57,792
Capital One Financial Corp	3,377 shares	245,047	282,182
Discover Financial Services	2,245 shares	90,349	130,816
Investment Technology Group	1,309 shares	14,019	35,160
Janus Cap Group Inc	2,195 shares	21,337	39,839
JP Morgan Chase	5,642 shares	290,114	371,131
American Homes 4 Rent	2,014 shares	33,012	33,614
Cubesmart	939 shares	7,979	22,339
Diamondrock Hospitality Co	1,868 shares	16,328	24,602
Lexington Corporate PPTYS	3,148 shares	26,672	28,899
Mack-Kali Realty	1,720 shares	33,795	29,068

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Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		Current Value
		Cost	
Medical PPTY TR Inc	1,690 shares	19,013	22,916
Parkway PPTY TR Inc	1,535 shares	27,427	26,387
Pennsylvania REIT	1,050 shares	21,030	23,436
RAIT Financial TR	3,560 shares	22,091	22,642
Sunstone Hotel Investors Inc	2,609 shares	25,987	39,813
Verizon Communications	2,035 shares	100,076	100,610
Brooks Automation Inc	2,456 shares	25,103	27,605
Entegris	1,736 shares	22,291	24,182
Fairchild Semiconductor Intl CL A	2,233 shares	26,529	44,481
Intersil Corp	2,717 shares	29,004	36,680
ON Semiconductor Corp	3,272 shares	22,781	43,387
Photronics Inc	3,622 shares	21,609	36,546
Silicon Laboratories Inc	507 shares	25,891	28,108
Brocade Communications SYS Inc	7,434 shares	64,387	91,921
Ciena Corp	1,479 shares	27,602	35,673
Cisco Systems	7,264 shares	155,536	212,908
Harris Corp Del	645 shares	50,401	51,097
Seagate Technology PLC	715 shares	21,748	39,783
Apple Inc	1,945 shares	161,256	253,395
EMC Corp	3,980 shares	107,094	104,833
Hewlett Packard Co	2,324 shares	76,022	77,622
Qlogic Corp	2,079 shares	28,338	32,266
Western Digital Corp	1,052 shares	88,450	102,423
TE Connectivity LTD	1,483 shares	83,210	102,327
Benchmark Electrs Inc	1,050 shares	25,853	24,402
Littelfuse Inc	435 shares	31,593	42,065
Plexus Corp	958 shares	34,944	43,570
Synnex Corp	534 shares	23,396	44,146
Tech Data Corp	611 shares	32,606	38,566
Vishay Intertechnology Inc	2,036 shares	23,092	26,509
Activision Blizzard Inc	3,625 shares	79,986	91,568
Mentor Graphics Corp	1,718 shares	21,317	44,857
Microsoft Corp	4,443 shares	173,474	208,199
Oracle Corp	3,053 shares	119,633	132,775
NXP Semiconductors	677 shares	43,673	75,993
Unisys Corp	1,296 shares	33,007	26,620
Northwestern Corp	735 shares	29,287	38,235
Allete Inc	931 shares	47,473	46,876
PNM Res Inc	861 shares	13,400	22,894
EQT Corp	399 shares	41,592	33,943
Energen Corp	842 shares	63,498	58,266
South Jersey Inds Inc	1,090 shares	28,888	28,765
AES Corp	7,289 shares	89,151	99,130
Ally Finl Inc	3,153 shares	68,175	71,479
Berry Plastics Group Inc	624 shares	21,800	20,885
Central Pacific Financial Corp	1,731 shares	23,501	40,540
Dynegy Inc New Del	785 shares	27,974	25,387
Engility Holdings	897 shares	27,870	25,044
Kite Realty Group Trust	1,147 shares	27,842	31,026
Physicians Realty TR	1,500 shares	25,166	24,090
Rice Energy Inc	670 shares	18,405	14,693
Synergy Res Corp	3,108 shares	31,959	35,773
Maverick Stable Fund	6,500 shares	6,500,000	6,540,135

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Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year)

May 31, 2015

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		Current Value
		Cost	
Prudential Core Plus Bond Fund	53,188 shares	7,719,118	7,719,118
WTC CIF II Growth (Ser I) Port	382,751 shares	4,238,661	10,090,131
William Blair Institutional International Growth Fund	872,397 shares	12,396,257	14,455,622
DFA Emerging Markets Value #95	224,280 shares	6,448,055	6,055,564
DFA International Small Company #89	188,145 shares	2,890,901	3,546,534
DFA International Value #45	623,876 shares	11,713,280	12,103,188
Franklin Strategic Small Cap GRW	171,498 shares	3,134,097	3,505,419
Oppenheimer Developing Markets Fund	214,628 shares	6,747,641	7,604,282
Third Avenue Real Estate Value Fund	194,512 shares	3,876,358	6,360,531
Vanguard S&P Midcap 400 Index Fund	60,444 shares	7,924,499	12,409,228
Vanguard Institutional Index Fund #94	106,705 shares	13,195,442	20,603,718
Wells Fargo FDS Absolute RET Fund I	795,316 shares	8,906,168	8,859,818
Primus Cap Fund II	shares	1	-
Primus Cap Fund IV	2,179,135 shares	2,824	167
Primus Cap Fund V	286,956,921 shares	350,367	290,372
Kayne Anderson Capital Income Partners (QP), L.P.	2,960,935 shares	2,500,000	5,106,458
		<u>\$ 157,189,776</u>	<u>\$ 185,936,759</u>

Materion Corporation Pension Plan

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Schedule H, Line 4(j)—Schedule of Reportable Transactions

Year ended May 31, 2015

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Category (iii) - Series of transactions in excess of 5% of plan assets							
	Federated Treasury Obligations Fund Instl	13,038,248	-	-	13,038,248	13,038,248	-
		-	14,412,694	-	14,412,694	14,412,694	-

There were no category (i), (ii), or (iv) reportable transactions during the year ended May 31, 2015.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24 Change in Actuarial Assumptions

The following changes were made to the assumed plan compensation:

Employee Group	June 1, 2013	June 1, 2014
	Valuation Assumption	Valuation Assumption
Salaried (in MIP)	Base Pay plus bonus equal to the sum of 9% of Base Pay (for Personal/Team element) and 100% of Financial Target Percentage	Base Pay plus bonus equal to the sum of Personal/Team percentage and 100% of Financial Target Percentage
TMI Salaried (in MIP)	Base Pay plus bonus equal to the sum of 9% of Base Pay (for Personal/Team element) and 120% of Financial Target Percentage	Base Pay plus bonus equal to the sum of Personal/Team percentage and 100% of Financial Target Percentage
AMTS and Brewster Salaried (in MIP)	Base Pay plus bonus equal to the sum of 9% of Base Pay (for Personal/Team element) and 35% of Financial Target Percentage	Base Pay plus bonus equal to the sum of Personal/Team percentage and 100% of Financial Target Percentage

"Base Pay" is equal to the rate of base pay (annualized) in effect as of the census collection date as reported by Materion Corporation.

Plan Name:	Materion Corporation Pension Plan
EIN / PN:	34-1919973 / 001
Plan Sponsor:	Materion Corporation
Valuation Date	June 1, 2014