



# FY 2015 Second Quarter Financial Statistics

January 29, 2015

# *SAFE HARBOR STATEMENT*

Our remarks today will be related to our expectations with regard to a number of activities in which the Company is engaged. Reliance should not be placed upon such forward-looking statements because they involve risks and uncertainties which may cause our actual results to differ materially from those which we are going to talk about or which we may imply. Those risks and uncertainties are discussed in our Forms 10-K and 10-Q filed with the Securities and Exchange Commission, (and in recent Press Releases which have been issued). We do not have any material non-public information that will be discussed today.

LSI Industries Inc.

## 2<sup>nd</sup> Quarter Operating Summary

|   | Q2 FY 15        | Q2 FY 14 | % Change |
|---|-----------------|----------|----------|
| Net Sales                                   | <b>\$84,715</b> | \$76,123 | 11%      |
| Operating Income before severance costs (a) | <b>\$3,024</b>  | \$1,511  | 100%     |
| Severance Costs (a)                         | <b>\$(800)</b>  | --       | n/m      |
| Operating Income as reported                | <b>\$2,224</b>  | \$1,511  | 47%      |
| Net Income before severance costs (a)       | <b>\$2,105</b>  | \$870    | 142%     |
| Net Income as reported                      | <b>\$1,588</b>  | \$870    | 83%      |

\$ in thousands; unaudited.

(a) Non-GAAP financial measure.

LSI Industries Inc.

# First Half Operating Summary

|  | <b>1<sup>st</sup> Half<br/>FY 15</b> | 1 <sup>st</sup> Half<br>FY 14 | % Change |
|--|--------------------------------------|-------------------------------|----------|
| Net Sales  | <b>\$163,181</b>                     | \$156,609                     | 4%       |
| Operating Income before sale of assets and severance costs (a) | <b>\$5,780</b>                       | \$4,350                       | 33%      |
| Severance Costs and Sale of Assets (a)                         | <b>\$(1,022)</b>                     | --                            | n/m      |
| Operating Income as reported                                   | <b>\$4,758</b>                       | \$4,350                       | 9%       |
| Net Income before severance costs and sale of assets (a)       | <b>\$3,872</b>                       | \$2,735                       | 42%      |
| Net Income as reported   | <b>\$3,115</b>                       | \$2,735                       | 14%      |

\$ in thousands; unaudited.

(a) Non-GAAP financial measure.

LSI Industries Inc.

# Segment Net Sales

|             | <b>2<sup>nd</sup> Qtr. FY 15</b> |  | 2 <sup>nd</sup> Qtr. FY 14 |
|-------------|----------------------------------|--|----------------------------|
| Lighting    | <b>\$59,848</b>                  |  | \$57,380                   |
| Graphics    | <b>\$18,740</b>                  |  | \$12,954                   |
| Elec. Comp. | <b>\$4,598</b>                   |  | \$4,073                    |
| All Other   | <b>\$1,529</b>                   |  | \$1,716                    |
| Total       | <b>\$84,715</b>                  |  | \$76,123                   |

\$ in thousands; unaudited.

LSI Industries Inc.

# Segment Net Sales

|              | <b>1<sup>st</sup> Half FY 15</b> |  | 1 <sup>st</sup> Half FY 14 |
|--------------|----------------------------------|--|----------------------------|
| Lighting     | <b>\$116,369</b>                 |  | \$116,851                  |
| Graphics     | <b>\$32,551</b>                  |  | \$26,962                   |
| Elec. Comp.  | <b>\$10,478</b>                  |  | \$9,153                    |
| All Other    | <b>\$3,783</b>                   |  | \$3,643                    |
| <b>Total</b> | <b>\$163,181</b>                 |  | <b>\$156,609</b>           |

\$ in thousands; unaudited.

LSI Industries Inc.

# Segment Operating Income

|                     | <b>2<sup>nd</sup> Qtr.<br/>FY 15</b> |  | <b>2<sup>nd</sup> Qtr.<br/>FY 14</b> |
|---------------------|--------------------------------------|--|--------------------------------------|
| Lighting            | <b>\$3,964</b>                       |  | \$2,157                              |
| Graphics            | <b>\$460</b>                         |  | \$(275)                              |
| Elec. Comp.         | <b>\$625</b>                         |  | \$1,041                              |
| All Other           | <b>\$605</b>                         |  | \$124                                |
| Corp & Eliminations | <b>\$(3,430)</b>                     |  | \$(1,536)                            |
| <b>Total</b>        | <b>\$2,224</b>                       |  | <b>\$1,511</b>                       |

\$ in thousands; unaudited.

LSI Industries Inc.

# Segment Operating Income

|                     | <b>2<sup>nd</sup> Qtr.<br/>FY 15</b> |  | <b>2<sup>nd</sup> Qtr.<br/>FY 14</b> |
|---------------------|--------------------------------------|--|--------------------------------------|
| Lighting            | <b>\$3,964</b>                       |  | \$2,157                              |
| Graphics            | <b>\$460</b>                         |  | \$(275)                              |
| Elec. Comp.         | <b>\$625</b>                         |  | \$1,041                              |
| All Other           | <b>\$605</b>                         |  | \$124                                |
| Corp & Eliminations | <b>\$(3,430)</b>                     |  | \$(1,536)                            |
| <b>Total</b>        | <b>\$2,224</b>                       |  | <b>\$1,511</b>                       |

\$ in thousands; unaudited.

LSI Industries Inc.



# Segment Operating Income

|                     | 1 <sup>st</sup> Half FY 15 |  | 1 <sup>st</sup> Half FY 14 |
|---------------------|----------------------------|--|----------------------------|
| Lighting            | <b>\$8,084</b>             |  | \$5,968                    |
| Graphics            | <b>\$246</b>               |  | \$(112)                    |
| Elec. Comp.         | <b>\$1,364</b>             |  | \$2,013                    |
| All Other           | <b>\$689</b>               |  | \$128                      |
| Corp & Eliminations | <b>\$(5,625)</b>           |  | \$(3,647)                  |
| Total               | <b>\$4,758</b>             |  | \$4,350                    |

\$ in thousands; unaudited.

LSI Industries Inc.

# BALANCE SHEET DATA

|                              | 12/31/14         | 6/30/14   |
|------------------------------|------------------|-----------|
| Cash & Investments           | <b>\$18,054</b>  | \$9,013   |
| Receivables, net             | <b>\$44,095</b>  | \$42,753  |
| Inventories, net             | <b>\$42,067</b>  | \$45,408  |
| Goodwill & Intangible Assets | <b>\$16,852</b>  | \$17,735  |
| Debt                         | <b>\$ nil</b>    | \$ nil    |
| Shareholders' Equity         | <b>\$140,880</b> | \$138,412 |

\$ in thousands; unaudited.

LSI Industries Inc.

# Capital Expenditures, Depreciation & Amortization

|                             | <b>1<sup>st</sup> Half<br/>FY 2015</b> | 1 <sup>st</sup> Half<br>FY 2014 |
|-----------------------------|--|---------------------------------|
| Capital Expenditures        | <b>\$2,557</b>                         | \$2,721                         |
| Depreciation & Amortization | <b>\$3,138</b>                         | \$2,969                         |

\$ in thousands; unaudited.

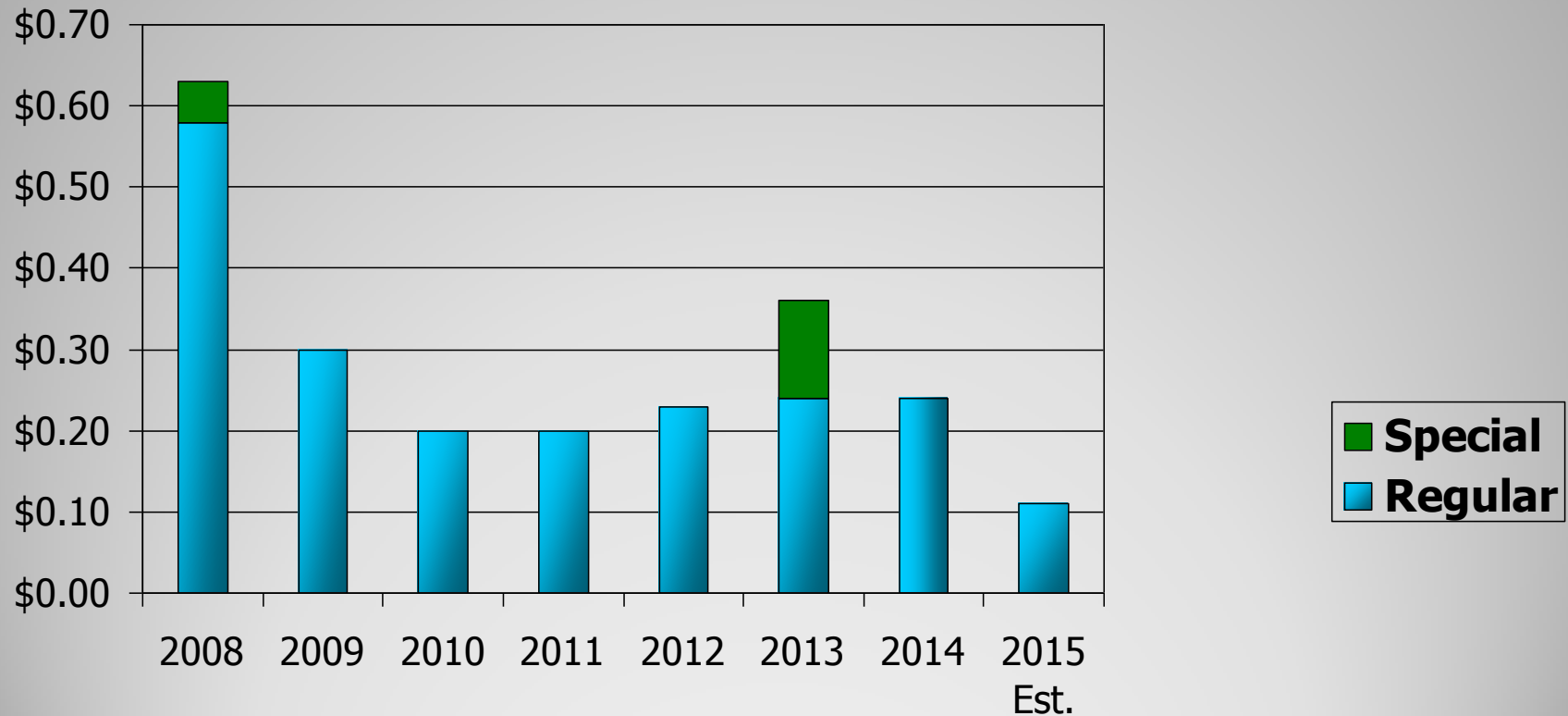
LSI Industries Inc.

# CASH DIVIDEND ACTIONS

The \$0.01 per share cash dividend for the 1<sup>st</sup> Quarter of fiscal year 2015 was paid in November 2014.

The LSI Industries Board of Directors declared a \$0.02 per share cash dividend for the 2<sup>nd</sup> Quarter of fiscal year 2015, payable February 17, 2015, increasing to an indicated annual rate of \$0.08 per share.

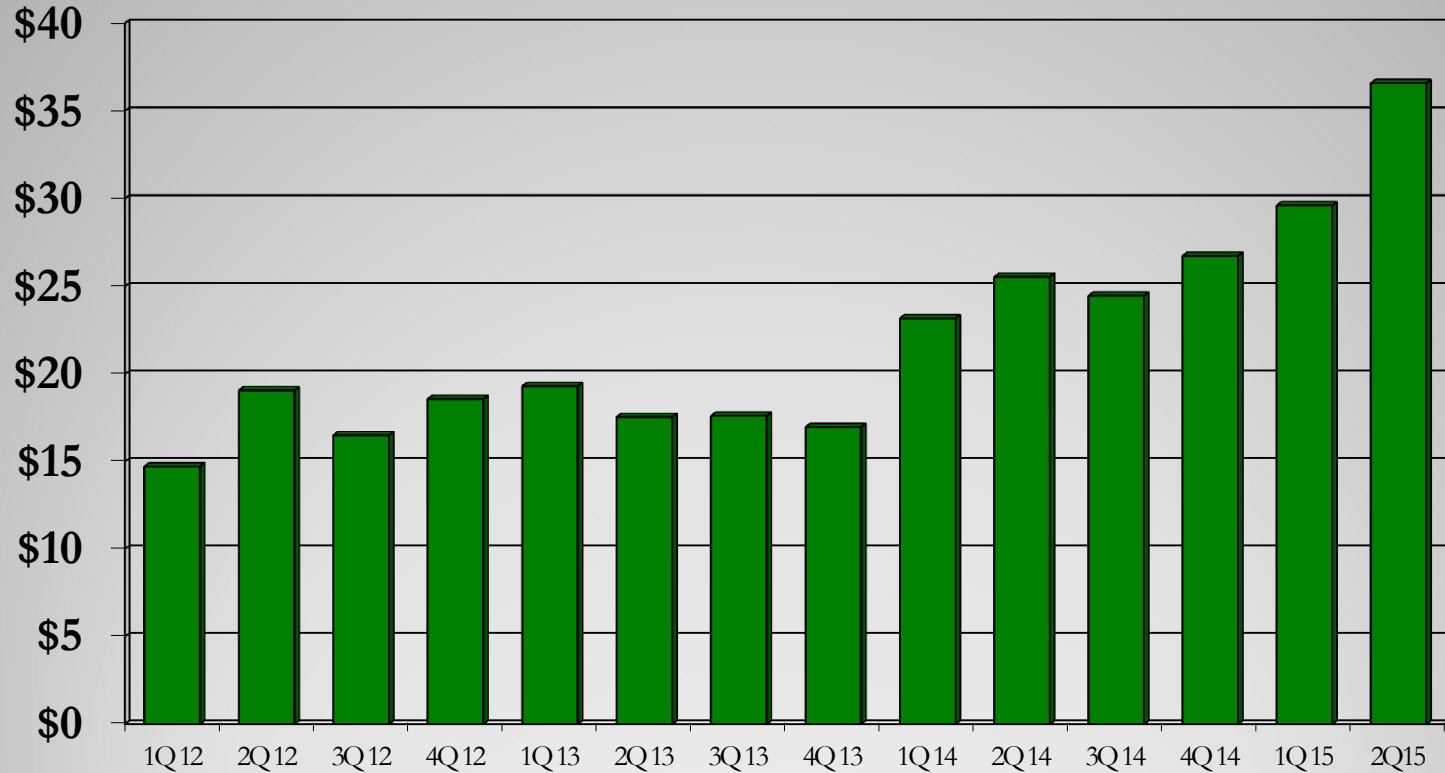
# CASH DIVIDENDS PAID



\$ per share; dividends paid during the fiscal year; unaudited.

LSI Industries Inc.

# LED Lighting Net Sales



\$ in millions; unaudited.

LSI Industries Inc.

# Common Shares

The number of common shares outstanding as of the indicated balance sheet dates were:

|                          |                   |
|--------------------------|-------------------|
| <b>December 31, 2014</b> | <b>24,122,792</b> |
| June 30, 2014            | 24,122,284        |

The number of common shares used for the 1<sup>st</sup> Quarter and year-to-date diluted EPS calculations were as follows:

|                | <u>2<sup>nd</sup> Quarter</u> | <u>Year-to-Date</u> |
|----------------|-------------------------------|---------------------|
| <b>FY 2015</b> | <b>24,507,000</b>             | <b>24,506,000</b>   |
| FY 2014        | 24,627,000                    | 24,530,000          |