

RAVEN INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (Dollars and shares in thousands, except earnings per share) (Unaudited)

	Three Months Ended January 31,			Twelve Months Ended January 31,		
	2021	2020	Fav (Un) Change	2021	2020	Fav (Un) Change
Net sales	\$ 80,077	\$ 85,761	(6.6)%	\$ 348,359	\$ 382,530	(8.9)%
Cost of sales	55,398	58,722		230,557	258,783	
Gross profit	24,679	27,039	(8.7)%	117,802	123,747	(4.8)%
<i>Gross profit percentage</i>	30.8 %	31.5 %		33.8 %	32.3 %	
Research and development expenses	10,832	9,558		43,094	31,558	
Selling, general, and administrative expenses	13,569	14,565		55,057	52,250	
Operating income	278	2,916	(90.5)%	19,651	39,939	(50.8)%
<i>Operating income percentage</i>	0.3 %	3.4 %		5.6 %	10.4 %	
Other income (expense), net	38	(303)		(476)	95	
Income before income taxes	316	2,613	(87.9)%	19,175	40,034	(52.1)%
Income tax expense (benefit)	34	(91)		397	5,421	
Net income	282	2,704	(89.6)%	18,778	34,613	(45.7)%
Net loss attributable to the noncontrolling interest	—	(582)		(98)	(583)	
Net income attributable to Raven Industries, Inc.	\$ 282	\$ 3,286	(91.4)%	\$ 18,876	\$ 35,196	(46.4)%
Net income per common share:						
- Basic	\$ 0.01	\$ 0.09	(88.9)%	\$ 0.52	\$ 0.98	(46.9)%
- Diluted	\$ 0.01	\$ 0.09	(88.9)%	\$ 0.52	\$ 0.97	(46.4)%
Weighted average common shares:						
- Basic	36,017	35,893		35,986	35,984	
- Diluted	36,246	36,099		36,150	36,216	

RAVEN INDUSTRIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands) (Unaudited)

	January 31 2021	January 31 2020
ASSETS		
Cash and cash equivalents	\$ 32,938	\$ 20,707
Accounts receivable, net	48,669	62,552
Inventories, net	52,703	53,899
Other current assets	5,776	5,436
Total current assets	<u>140,086</u>	142,594
Property, plant and equipment, net	106,007	100,850
Goodwill	107,677	106,509
Intangible assets, net	44,585	46,217
Other assets	11,016	7,087
TOTAL ASSETS	<u><u>\$ 409,371</u></u>	<u><u>\$ 403,257</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	\$ 18,639	\$ 14,893
Accrued and other liabilities	33,399	23,030
Total current liabilities	<u>52,038</u>	37,923
Long-term debt	1,981	225
Other liabilities	23,997	29,161
Total liabilities	<u>78,016</u>	67,309
Redeemable noncontrolling interest	—	21,302
Shareholders' equity	331,355	314,646
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>\$ 409,371</u></u>	<u><u>\$ 403,257</u></u>
Net Working Capital and Net Working Capital Percentage²		
Accounts receivable, net	\$ 48,669	\$ 62,552
Plus: Inventories, net	52,703	53,899
Less: Accounts payable	18,639	14,893
Net working capital ²	<u>\$ 82,733</u>	<u>\$ 101,558</u>
Annualized net sales	\$ 320,308	\$ 343,044
Net working capital percentage ²	25.8 %	29.6 %

RAVEN INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands) (Unaudited)

	Twelve Months Ended January 31,	
	2021	2020
Cash flows from operating activities:		
Net income	\$ 18,778	\$ 34,613
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	17,421	16,241
Other operating activities, net	19,273	4,018
Net cash provided by operating activities	<u>55,472</u>	<u>54,872</u>
Cash flows from investing activities:		
Capital expenditures	(16,147)	(8,560)
Payments related to business acquisitions	—	(53,317)
Proceeds from sale or maturities of investments	587	1,170
Purchases of investments	(289)	(1,118)
Proceeds from sale of assets	251	3,459
Other investing activities, net	(315)	(243)
Net cash used in investing activities	<u>(15,913)</u>	<u>(58,609)</u>
Cash flows from financing activities:		
Dividends paid	(9,318)	(18,650)
Payments for common shares repurchased	—	(10,781)
Proceeds from debt	51,685	33,593
Repayments of debt	(50,000)	(39,762)
Payments for redeemable noncontrolling interest	(17,853)	—
Payment of acquisition-related contingent liabilities	—	(1,306)
Other financing activities, net	(1,645)	(3,981)
Net cash used in financing activities	<u>(27,131)</u>	<u>(40,887)</u>
Effect of exchange rate changes on cash	<u>(197)</u>	<u>(456)</u>
Net increase (decrease) in cash and cash equivalents	12,231	(45,080)
Cash and cash equivalents at beginning of period	20,707	65,787
Cash and cash equivalents at end of period	<u>\$ 32,938</u>	<u>\$ 20,707</u>

RAVEN INDUSTRIES, INC.
SALES AND OPERATING INCOME (LOSS) BY SEGMENT
(Dollars in thousands) (Unaudited)

	Three Months Ended January 31,			Twelve Months Ended January 31,		
	2021	2020	Fav (Un) Change	2021	2020	Fav (Un) Change
Net sales						
Applied Technology	\$ 34,851	\$ 32,864	6.0 %	\$ 147,198	\$ 130,460	12.8 %
Engineered Films	34,506	39,505	(12.7)%	147,921	197,719	(25.2)%
Aerostar	10,717	13,403	(20.0)%	53,343	54,443	(2.0)%
Intersegment eliminations	3	(11)		(103)	(92)	
Consolidated net sales	<u>\$ 80,077</u>	<u>\$ 85,761</u>	(6.6)%	<u>\$ 348,359</u>	<u>\$ 382,530</u>	(8.9)%
Operating income (loss)						
Applied Technology	\$ 5,221	\$ 5,552	(6.0)%	\$ 26,468	\$ 30,672	(13.7)%
Engineered Films	2,350	3,708	(36.6)%	15,743	28,695	(45.1)%
Aerostar	(422)	1,170	(136.1)%	4,399	8,597	(48.8)%
Intersegment eliminations	12	10		72	—	
Total segment income	<u>\$ 7,161</u>	<u>\$ 10,440</u>	(31.4)%	<u>\$ 46,682</u>	<u>\$ 67,964</u>	(31.3)%
Corporate expenses	<u>(6,883)</u>	<u>(7,524)</u>	8.5 %	<u>(27,031)</u>	<u>(28,025)</u>	3.5 %
Consolidated operating income	<u>\$ 278</u>	<u>\$ 2,916</u>	(90.5)%	<u>\$ 19,651</u>	<u>\$ 39,939</u>	(50.8)%
Operating income (loss) percentages						
Applied Technology	15.0 %	16.9 %	(190)bps	18.0 %	23.5 %	(550)bps
Engineered Films	6.8 %	9.4 %	(260)bps	10.6 %	14.5 %	(390)bps
Aerostar	(3.9)%	8.7 %	(1260)bps	8.2 %	15.8 %	(760)bps
Consolidated operating income	<u>0.3 %</u>	<u>3.4 %</u>	(310)bps	<u>5.6 %</u>	<u>10.4 %</u>	(480)bps

RAVEN INDUSTRIES, INC.
EBITDA REGULATION G RECONCILIATION³
(Dollars in thousands) (Unaudited)

	Three Months Ended January 31,			Twelve Months Ended January 31,		
	2021	2020	Fav (Un) Change	2021	2020	Fav (Un) Change
Applied Technology						
Reported Operating income	\$ 5,221	\$ 5,552	(6.0)%	\$ 26,468	\$ 30,672	(13.7)%
Plus: Depreciation and amortization	1,437	1,039	38.3 %	5,093	3,995	27.5 %
ATD EBITDA	\$ 6,658	\$ 6,591	1.0 %	\$ 31,561	\$ 34,667	(9.0)%
<i>ATD EBITDA % of Net Sales</i>	<i>19.1 %</i>	<i>20.1 %</i>		<i>21.4 %</i>	<i>26.7 %</i>	
Engineered Films						
Reported Operating income	\$ 2,350	\$ 3,708	(36.6)%	\$ 15,743	\$ 28,695	(45.1)%
Plus: Depreciation and amortization	2,500	2,397	4.3 %	9,719	9,518	2.1 %
EFD EBITDA	\$ 4,850	\$ 6,105	(20.6)%	\$ 25,462	\$ 38,213	(33.4)%
<i>EFD EBITDA % of Net Sales</i>	<i>14.1 %</i>	<i>15.5 %</i>		<i>17.2 %</i>	<i>19.3 %</i>	
Aerostar						
Reported Operating income (loss)	\$ (422)	\$ 1,170	(136.1)%	\$ 4,399	\$ 8,597	(48.8)%
Plus: Depreciation and amortization	299	253	18.2 %	1,065	933	14.1 %
Aerostar EBITDA	\$ (123)	\$ 1,423	(108.6)%	\$ 5,464	\$ 9,530	(42.7)%
<i>Aerostar EBITDA % of Net Sales</i>	<i>(1.1) %</i>	<i>10.6 %</i>		<i>10.2 %</i>	<i>17.6 %</i>	
Consolidated						
Net income attributable to Raven Industries Inc.	\$ 282	\$ 3,286	(91.4)%	\$ 18,876	\$ 35,196	(46.4)%
Interest (income) expense, net	102	35		485	(609)	
Income tax expense	34	(91)		397	5,421	
Plus: Depreciation and amortization	4,592	4,117		17,421	16,241	
Consolidated EBITDA	\$ 5,010	\$ 7,347	(31.8)%	\$ 37,179	\$ 56,249	(33.9)%
<i>Consolidated EBITDA % of Net Sales</i>	<i>6.3 %</i>	<i>8.6 %</i>		<i>10.7 %</i>	<i>14.7 %</i>	

¹ Last-time buy activity is the revenue associated with Applied Technology's decision to exit a non-strategic OEM relationship.

² Net working capital is defined as accounts receivable, (net) plus inventories, (net) less accounts payable. Net working capital percentage is defined as net working capital divided by four times quarterly sales for each respective period.

³ EBITDA is a non-GAAP financial measure defined on a consolidated basis as net income attributable to Raven Industries, Inc., plus income taxes, plus depreciation and amortization expense, plus interest (income) expense, (net). On a segment basis, it is defined as operating income plus depreciation expense and amortization expense. EBITDA margin is defined as EBITDA divided by net sales.

⁴ Total liquidity is defined as Cash and cash equivalents plus the available balance on the Company's revolving credit facility.