

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

	Three Months Ended April 30,		
	2021	2020	Fav (Un) Change
Net sales	\$ 112,486	\$ 86,496	30.0 %
Cost of sales	72,500	58,029	
Gross profit	39,986	28,467	40.5 %
<i>Gross profit percentage</i>	<i>35.5 %</i>	<i>32.9 %</i>	
Research and development expenses	11,462	10,505	
Selling, general, and administrative expenses	16,951	14,023	
Operating income	11,573	3,939	193.8 %
<i>Operating income percentage</i>	<i>10.3 %</i>	<i>4.6 %</i>	
Other income (expense), net	30	(468)	
Income before income taxes	11,603	3,471	234.3 %
Income tax expense (benefit)	1,983	(478)	
Net income	9,620	3,949	143.6 %
Net loss attributable to the noncontrolling interest	—	(98)	
Net income attributable to Raven Industries, Inc.	<u>\$ 9,620</u>	<u>\$ 4,047</u>	137.7 %
Net income per common share:			
- Basic	\$ 0.27	\$ 0.11	145.5 %
- Diluted	\$ 0.26	\$ 0.11	136.4 %
Weighted average common shares:			
- Basic	36,037	35,928	
- Diluted	36,450	36,066	

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

	April 30 2021	January 31 2021	April 30 2020
ASSETS			
Cash and cash equivalents	\$ 17,764	\$ 32,938	\$ 72,581
Accounts receivable, net	68,064	48,669	60,336
Inventories, net	63,407	52,703	57,101
Other current assets	7,904	5,776	6,268
Total current assets	157,139	140,086	196,286
Property, plant and equipment, net	107,905	106,007	102,061
Goodwill	109,284	107,677	104,608
Intangible assets, net	46,074	44,585	43,826
Other assets	10,437	11,016	11,552
TOTAL ASSETS	\$ 430,839	\$ 409,371	\$ 458,333
LIABILITIES AND SHAREHOLDERS' EQUITY			
Accounts payable	\$ 22,535	\$ 18,639	\$ 20,392
Accrued and other liabilities	32,149	28,066	24,042
Redeemable noncontrolling interest payable	5,438	5,333	17,172
Total current liabilities	60,122	52,038	61,606
Long-term debt	2,895	1,981	50,364
Other liabilities	23,837	23,997	33,939
Total liabilities	86,854	78,016	145,909
Shareholders' equity	343,985	331,355	312,424
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 430,839	\$ 409,371	\$ 458,333
Net Working Capital and Net Working Capital Percentage¹			
Accounts receivable, net	\$ 68,064	\$ 48,669	\$ 60,336
Plus: Inventories, net	63,407	52,703	57,101
Less: Accounts payable	22,535	18,639	20,392
Net working capital ¹	\$ 108,936	\$ 82,733	\$ 97,045
Annualized net sales	\$ 449,944	\$ 320,308	\$ 345,984
Net working capital percentage ¹	24.2 %	25.8 %	28.0 %

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

	Three Months Ended April 30,	
	2021	2020
Cash flows from operating activities:		
Net income	\$ 9,620	\$ 3,949
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,511	4,176
Other operating activities, net	(21,910)	3,726
Net cash provided by (used in) operating activities	(7,779)	11,851
Cash flows from investing activities:		
Capital expenditures	(5,605)	(4,434)
Purchases of investments	(587)	(98)
Proceeds from sale of assets	263	251
Other investing activities, net	(1,112)	(9)
Net cash used in investing activities	(7,041)	(4,290)
Cash flows from financing activities:		
Dividends paid	—	(4,658)
Proceeds from debt	815	50,150
Other financing activities, net	(1,204)	(844)
Net cash provided by (used in) financing activities	(389)	44,648
Effect of exchange rate changes on cash	35	(335)
Net increase (decrease) in cash and cash equivalents	(15,174)	51,874
Cash and cash equivalents at beginning of period	32,938	20,707
Cash and cash equivalents at end of period	\$ 17,764	\$ 72,581

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

	Three Months Ended April 30,		
	2021	2020	Fav (Un) Change
Net sales			
Applied Technology	\$ 54,868	\$ 42,007	30.6 %
Engineered Films	48,765	33,398	46.0 %
Aerostar	8,887	11,151	(20.3)%
Intersegment eliminations	(34)	(60)	
Consolidated net sales	<u>\$ 112,486</u>	<u>\$ 86,496</u>	30.0 %
Operating income (loss)			
Applied Technology	\$ 13,187	\$ 8,939	47.5 %
Engineered Films	6,767	1,607	321.1 %
Aerostar	589	293	101.0 %
Intersegment eliminations	(7)	40	
Total segment income	<u>\$ 20,536</u>	<u>\$ 10,879</u>	88.8 %
Corporate expenses	<u>(8,963)</u>	<u>(6,940)</u>	(29.1)%
Consolidated operating income	<u>\$ 11,573</u>	<u>\$ 3,939</u>	193.8 %
Operating income percentages			
Applied Technology	24.0 %	21.3 %	270bps
Engineered Films	13.9 %	4.8 %	910bps
Aerostar	6.6 %	2.6 %	400bps
Consolidated operating income	<u>10.3 %</u>	<u>4.6 %</u>	570bps

RAVEN INDUSTRIES, INC.
EBITDA REGULATION G RECONCILIATION²
(Dollars in thousands) (Unaudited)

	Three Months Ended April 30,		
	2021	2020	Fav (Un) Change
Applied Technology			
Reported Operating income	\$ 13,187	\$ 8,939	47.5 %
Plus: Depreciation and amortization	1,466	1,100	33.3 %
ATD EBITDA	<u>\$ 14,653</u>	<u>\$ 10,039</u>	46.0 %
<i>ATD EBITDA % of Net Sales</i>	<i>26.7 %</i>	<i>23.9 %</i>	
Engineered Films			
Reported Operating income	\$ 6,767	\$ 1,607	321.1 %
Plus: Depreciation and amortization	2,459	2,412	1.9 %
EFD EBITDA	<u>\$ 9,226</u>	<u>\$ 4,019</u>	129.6 %
<i>EFD EBITDA % of Net Sales</i>	<i>18.9 %</i>	<i>12.0 %</i>	
Aerostar			
Reported Operating income	\$ 589	\$ 293	101.0 %
Plus: Depreciation and amortization	227	239	(5.0)%
Aerostar EBITDA	<u>\$ 816</u>	<u>\$ 532</u>	53.4 %
<i>Aerostar EBITDA % of Net Sales</i>	<i>9.2 %</i>	<i>4.8 %</i>	
Consolidated			
Net income attributable to Raven Industries Inc.	\$ 9,620	\$ 4,047	137.7 %
Interest expense, net	94	144	
Income tax expense (benefit)	1,983	(478)	
Plus: Depreciation and amortization	<u>4,511</u>	<u>4,176</u>	
Consolidated EBITDA	<u>\$ 16,208</u>	<u>\$ 7,889</u>	105.5 %
<i>Consolidated EBITDA % of Net Sales</i>	<i>14.4 %</i>	<i>9.1 %</i>	

¹ 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.

² 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 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.

³ Total liquidity is defined as Cash and cash equivalents plus the available balance on the Company's revolving credit facility.