

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

	April 30 2020	January 31 2020	April 30 2019
ASSETS			
Cash and cash equivalents	\$ 72,581	\$ 20,707	\$ 61,370
Accounts receivable, net	60,336	62,552	67,792
Inventories, net	57,101	53,899	58,042
Other current assets	6,268	5,436	7,263
Total current assets	196,286	142,594	194,467
Property, plant and equipment, net	102,061	100,850	105,236
Goodwill	104,608	106,509	50,845
Intangible assets, net	43,826	46,217	15,978
Other assets	11,552	7,087	7,624
TOTAL ASSETS	\$ 458,333	\$ 403,257	\$ 374,150
LIABILITIES AND SHAREHOLDERS' EQUITY			
Accounts payable	\$ 20,392	\$ 14,893	\$ 16,179
Accrued and other liabilities	24,042	23,030	22,276
Redeemable noncontrolling interest payable	17,172	—	—
Total current liabilities	61,606	37,923	38,455
Long-term debt	50,364	225	—
Other liabilities	33,939	29,161	23,012
Total liabilities	145,909	67,309	61,467
Redeemable noncontrolling interest	—	21,302	—
Shareholders' equity	312,424	314,646	312,683
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 458,333	\$ 403,257	\$ 374,150

Net Working Capital and Net Working Capital Percentage¹

Accounts receivable, net	\$ 60,336	\$ 62,552	\$ 67,792
Plus: Inventories, net	57,101	53,899	58,042
Less: Accounts payable	20,392	14,893	16,179
Net working capital ¹	\$ 97,045	\$ 101,558	\$ 109,655
Annualized net sales	\$ 345,984	\$ 343,044	\$ 392,712
Net working capital percentage ¹	28.0 %	29.6 %	27.9 %

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

	Three Months Ended April 30,	
	2020	2019
Cash flows from operating activities:		
Net income	\$ 3,949	\$ 13,210
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,176	4,082
Other operating activities, net	3,726	(8,530)
Net cash provided by operating activities	<u>11,851</u>	<u>8,762</u>
Cash flows from investing activities:		
Capital expenditures	(4,434)	(1,570)
Purchases of investments	(98)	(843)
Proceeds from sale of assets	251	—
Other investing activities, net	(9)	(28)
Net cash used in investing activities	<u>(4,290)</u>	<u>(2,441)</u>
Cash flows from financing activities:		
Dividends paid	(4,658)	(4,682)
Payments for common shares repurchased	—	(2,281)
Proceeds from debt	50,150	—
Payment of acquisition-related contingent liabilities	—	(620)
Other financing activities, net	(844)	(3,082)
Net cash provided by (used in) financing activities	<u>44,648</u>	<u>(10,665)</u>
Effect of exchange rate changes on cash	<u>(335)</u>	<u>(73)</u>
Net increase (decrease) in cash and cash equivalents	51,874	(4,417)
Cash and cash equivalents at beginning of period	20,707	65,787
Cash and cash equivalents at end of period	<u>\$ 72,581</u>	<u>\$ 61,370</u>

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

	Three Months Ended April 30,		
	2020	2019	Fav (Un) Change
Net sales			
Applied Technology	\$ 42,007	\$ 41,725	0.7 %
Engineered Films	33,398	44,292	(24.6)%
Aerostar	11,151	12,190	(8.5)%
Intersegment eliminations	(60)	(29)	
Consolidated net sales	<u>\$ 86,496</u>	<u>\$ 98,178</u>	(11.9)%
Operating income			
Applied Technology	\$ 8,939	\$ 13,236	(32.5)%
Engineered Films	1,607	6,363	(74.7)%
Aerostar	293	1,996	(85.3)%
Intersegment eliminations	40	1	
Total segment income	<u>\$ 10,879</u>	<u>\$ 21,596</u>	(49.6)%
Corporate expenses	<u>(6,940)</u>	<u>(6,475)</u>	(7.2)%
Consolidated operating income	<u>\$ 3,939</u>	<u>\$ 15,121</u>	(74.0)%
Operating income percentages			
Applied Technology	21.3 %	31.7 %	(1040)bps
Engineered Films	4.8 %	14.4 %	(960)bps
Aerostar	2.6 %	16.4 %	(1,380)bps
Consolidated operating income	<u>4.6 %</u>	<u>15.4 %</u>	(1080)bps

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

	Three Months Ended April 30,		
	2020	2019	Fav (Un) Change
Applied Technology			
Reported Operating income	\$ 8,939	\$ 13,236	(32.5)%
Plus: Depreciation and amortization	1,100	1,028	7.0 %
ATD EBITDA	<u>\$ 10,039</u>	<u>\$ 14,264</u>	(29.6)%
<i>ATD EBITDA % of Net Sales</i>	<i>23.9 %</i>	<i>34.2 %</i>	
Engineered Films			
Reported Operating income	\$ 1,607	\$ 6,363	(74.7)%
Plus: Depreciation and amortization	2,412	2,297	5.0 %
EFD EBITDA	<u>\$ 4,019</u>	<u>\$ 8,660</u>	(53.6)%
<i>EFD EBITDA % of Net Sales</i>	<i>12.0 %</i>	<i>19.6 %</i>	
Aerostar			
Reported Operating income	\$ 293	\$ 1,996	(85.3)%
Plus: Depreciation and amortization	239	221	8.1 %
Aerostar EBITDA	<u>\$ 532</u>	<u>\$ 2,217</u>	(76.0)%
<i>Aerostar EBITDA % of Net Sales</i>	<i>4.8 %</i>	<i>18.2 %</i>	
Consolidated			
Net income attributable to Raven Industries Inc.	\$ 4,047	\$ 13,210	(69.4)%
Interest (income) expense, net	144	(230)	
Income tax expense (benefit)	(478)	1,842	
Plus: Depreciation and amortization	4,176	4,082	
Consolidated EBITDA	<u>\$ 7,889</u>	<u>\$ 18,904</u>	(58.3)%
<i>Consolidated EBITDA % of Net Sales</i>	<i>9.1 %</i>	<i>19.3 %</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 (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.