

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) April 24, 2025



LSI INDUSTRIES INC.

(Exact name of Registrant as Specified in its Charter)

Ohio

(State or Other Jurisdiction of
Incorporation)

01-13375

(Commission File Number)

31-0888951

(IRS Employer Identification
No.)

10000 Alliance Road, Cincinnati, Ohio

(Address of Principal Executive Offices)

45242

(Zip Code)

Registrant's telephone number, including area code **(513) 793-3200**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, no par value	LYTS	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17CFR §240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Item 2.02 Results of Operation and Financial Condition.

On April 24, 2025, LSI Industries Inc. (“LSI” or the “Company”) issued a press release announcing operating results for the fiscal quarter ending March 31, 2025. A copy of the press release is furnished with this Form 8-K as Exhibit 99.1 and is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

On April 24, 2025, LSI is hosting a conference call for the benefit of its investors to discuss the results set forth in the press release described in Item 2.02 above. A copy of the presentation, which is available at www.lsicorp.com, related to this conference call is attached as Exhibit 99.2 to this report and is incorporated by reference herein.

LSI’s presentation discloses certain financial results both in accordance with generally accepted accounting principles (“GAAP”) and on a non-GAAP basis with adjustments for certain items. LSI’s management believes that presentation of these non-GAAP financial measures and their related reconciliations are useful to investors because the non-GAAP financial measures provide investors with a basis for comparing the results to financial results from prior periods.

Information in the presentation contains forward-looking statements regarding future events and performance of LSI. All such forward-looking statements are based largely on LSI’s experience and perception of current conditions, trends, expected future developments and other factors, and on management’s expectations, and are subject to risks and uncertainties that could cause actual results to differ materially, including, but not limited to, those factors described in the presentation and in LSI’s filings with the Securities and Exchange Commission. LSI disclaims any intention or obligation to update or revise any financial or other projections or other forward-looking statements, whether because of new information, future events or otherwise.

The information in each of Item 2.02 and Item 7.01 of this Form 8-K and in the press release attached as Exhibit 99.1 and the presentation attached as Exhibit 99.2 is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section. The information in each of Item 2.02 and Item 7.01 of this Form 8-K and each of Exhibit 99.1 and Exhibit 99.2 shall not be incorporated by reference in any filing (whether made before or after the date hereof) or any other document under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in any such filing, except as shall be expressly set forth by specific reference in any such filing or document.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>ExhibitNo.</u>	<u>Description</u>
99.1	LSI Press Release dated April 24, 2025
99.2	Conference Call Presentation
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LSI INDUSTRIES INC.

BY: /s/ James E. Galeese

James E. Galeese

Executive Vice President, Chief Financial Officer

Dated: April 24, 2025



LSI INDUSTRIES REPORTS FISCAL 2025 THIRD QUARTER RESULTS AND DECLARES QUARTERLY CASH DIVIDEND

CINCINNATI, APRIL 24, 2025 – LSI Industries Inc. (Nasdaq: LYTS, “LSI” or the “Company”) a leading U.S. based manufacturer of commercial lighting and display solutions, today reported financial results for the fiscal 2025 third quarter ended March 31, 2025.

FISCAL 2025 THIRD QUARTER RESULTS

- Net sales of \$132.5 million, + 22% y/y
- Diluted EPS of \$0.13; Adjusted Diluted EPS \$0.20
- EBITDA of \$9.3 million; Adjusted EBITDA of \$11.3 million
- Book-to-Bill 1.06; Backlog +15% y/y
- Completed acquisition of Canada's Best Holdings
- Free cash flow of \$4.7 million
- Ratio of net debt to TTM Adjusted EBITDA of 1.0x

LSI generated significant year-over-year sales growth in the fiscal 2025 third quarter, effectively managing considerable changes to customer project schedule requirements, particularly in the Display Solutions segment. Fluctuating demand levels and changing customer schedule requirements impacted margins in the short term, becoming more stable exiting the quarter.

The Company reported fiscal third quarter sales of \$132.5 million, an increase of 22% over the prior year period. Sales growth was driven by organic growth in Display Solutions, along with contributions from the EMI acquisition completed in April 2024. Results include three weeks of sales from the acquisition of Canada's Best Holdings, announced March 11, 2025.

Reported net income was \$3.9 million, or \$0.13 per diluted share for the fiscal third quarter, while adjusted net income was \$6.3 million or \$0.20 per diluted share. The company reported EBITDA of \$9.3 million, and adjusted EBITDA of \$11.3 million, or 8.5% of net sales for the quarter. A reconciliation of GAAP and non-GAAP financial results is included in this press release.

The Company generated free cash flow of \$4.7 million in the fiscal third quarter, driven by continued profitability and ongoing working capital efficiency. Also in the quarter, LSI acquired Canada's Best for \$24 million all-cash purchase price. Including this activity, LSI maintains a strong balance sheet, exiting the quarter with a ratio of net debt to trailing twelve-month Adjusted EBITDA of 1.0x, providing ample flexibility to continue pursuing the Company's capital allocation priorities.

The Company declared a regular cash dividend of \$0.05 per share payable on May 13, 2025, to shareholders of record on May 5, 2025.

MANAGEMENT COMMENTARY

“Our Company delivered solid fiscal third quarter results, achieving sales growth of 22%, while successfully managing a period of significant variability in customer project schedules and demand levels,” stated James A. Clark, President, and Chief Executive Officer of LSI. “The calendar year first quarter is always choppy as customers finalize their store build and renovation capital budget plans for the year, but this year has been more unsettling than most for a number of reasons,” continued Clark.

“Our comparable project backlog exiting the fiscal third quarter increased 15% versus the prior year quarter, reflecting improved order rates, which increased 6% versus prior year, and the ongoing modification of customer site release activity. Our performance this quarter demonstrates the agility and proven capabilities required to successfully manage a large custom project business environment, a competency our customers value, providing differentiation and a competitive advantage for our company.

“Our 22% sales growth was driven by continued strong performance in the Display Solutions segment. Total sales in the Display Solutions segment increased 70% versus the previous year, including organic growth of 15%, driven by ongoing site release activity for multiple large programs in the refueling/c-store vertical and the resumption of demand in the grocery vertical. The grocery vertical realized over 20% growth in the quarter, with demand balanced across multiple customers. As we pass the one-year anniversary of the EMI acquisition, the business continues to perform well, and we continue to make important progress on our integration plans including margin improvement initiatives. The rapid increase in demand combined with a high level of customer scheduling changes had a transitory impact to margins in the quarter. We continue to collaborate with our customers on fulfillment plans, and schedules are improving as we enter the fiscal fourth quarter. We exit the quarter with a strong Display backlog, and order activity remains stable at an elevated level, with a book-to-bill of 1.0.

“LSI continues to build a lighting and display solutions platform of scale across North America capable of delivering sustained value through a combination of organic and inorganic growth,” stated Clark. “Our third quarter acquisition of Toronto based Canada’s Best Holdings represents another important strategic milestone that further expands our geographic reach and vertical market focus, consistent with the multi-year growth roadmap outlined within our *Fast Forward 2028* growth plan. Canada’s Best represents an important bolt-on acquisition for LSI’s Display Solution business, increasing our presence in the rapidly growing Canadian market, providing local project capabilities for large retailers with store locations throughout the United States and Canada, as well as customers with only Canadian based locations.

“Within the Lighting segment, year-over-year sales were below prior year while operating margin expanded 110 basis points to 13.3%. Large project shipment activity was again lower in the quarter; however, we experienced a significant rebound in project order activity, driven by a considerable number of outstanding larger project quotes converting to orders, resulting in a book-to-bill of 1.13 for the third quarter. We believe quote to order conversion levels will continue to improve, although cycles will remain choppy for any one month or quarter. The improved operating margin for the quarter was driven by multiple factors including an increased mix of higher value applications, stable pricing and effective cost management. We exited the quarter with a Lighting backlog 18% above prior year.

“We have been developing and executing supply chain and commercial plans in preparation for the enactment of additional tariffs, which were announced April 2, 2025, followed by a ninety day pause for the reciprocal tariffs on most countries” stated Clark. “LSI has a well-constructed supply chain, ensuring the availability and continuity required to satisfy customer delivery commitments across both segments. For Display Solutions, the majority of manufacturing and key component sourcing is conducted in the United States for domestic projects, and in Canada for those in-country projects. For Lighting, all product manufacturing occurs in the United States except for a select number of commodity products sourced internationally. Most lighting components are also sourced domestically; however, the industry has several components where international sourcing represents the preferred option. We have and will continue to adjust both pricing and sourcing decisions for those products impacted by current and future tariff activity.

“LSI continues to accelerate and execute on key growth initiatives, all designed to strengthen our position as a partner with customers in target vertical markets. In the quarter, we again earned pilot opportunities to further expand our presence with existing customers. For example, a large grocery customer who currently utilizes our print graphics products awarded LSI a refrigerated display case placement, with additional opportunities moving forward. In addition, we were successful in winning opportunities with several new customers in the refueling/c-store, sports, and parking verticals on the strength of new products, and proven capabilities. We’ll continue to build on this model moving forward and are confident our integrated portfolio of products and solutions will generate growth opportunities with both new and existing customers.

Clark concluded, “LSI continues to generate growth in a dynamic market environment, building on our solid foundation of products and solutions which positions us to scale our business profitably. Our strategy is sound, with the value of our unique, differentiated, vertical market model resonating with customers. Looking ahead, we will continue to advance our 2028 *Fast Forward Plan* generating profitable organic and inorganic growth, driving long-term value creation for our shareholders.”

FISCAL 2025 THIRD QUARTER CONFERENCE CALL

A conference call will be held today at 11:00 A.M. ET to review the Company’s financial results and conduct a question-and-answer session.

A webcast of the conference call and accompanying presentation materials will be available in the Investor Relations section of LSI Industries’ website at www.lsicorp.com. Individuals can also participate by teleconference dial-in. To listen to a live broadcast, go to the site at least 15 minutes prior to the scheduled start time to register, download and install any necessary audio software.

Domestic Live: 877-407-4018
International Live: 201-689-8471

To listen to a replay of the teleconference, which subsequently will be available through May 8, 2025

Domestic Replay: 844-512-2921
International Replay: 412-317-6671
Conference ID: 13753022

ABOUT LSI INDUSTRIES

Headquartered in Cincinnati, LSI is a publicly held company traded over the NASDAQ Stock Exchange under the symbol LYTS. The company manufactures advanced lighting, graphics and display solutions across strategic vertical markets. The company's American-made products, which include non-residential indoor and outdoor lighting, print graphics, digital graphics, refrigerated and custom displays, help create value for customer brands and enhance the consumer experience. LSI also provides comprehensive project management services in support of large-scale product rollouts. The company employs approximately 2,000 people at 19 manufacturing plants in the U.S. and Canada. Additional information about LSI is available at www.lsicorp.com.

FORWARD-LOOKING STATEMENTS

For details on the uncertainties that may cause our actual results to be materially different than those expressed in our forward-looking statements, visit <https://investors.lsicorp.com> as well as our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q which contain risk factors.

INVESTOR & MEDIA CONTACT

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Three Months Ended March 31		<i>(Unaudited)</i> <i>(In thousands, except per share data)</i>	Nine Months Ended March 31	
2025	2024		2025	2024
\$ 132,481	\$ 108,186	Net sales	\$ 418,310	\$ 340,632
99,571	76,846	Cost of products sold	316,718	240,789
67	-	Expense on step-up basis of acquired lease	203	-
-	130	Severance costs and Restructuring costs	38	508
32,843	31,210	Gross profit	101,351	99,335
23,253	21,328	Selling and administrative costs	68,351	66,023
1,116	1,021	Long-term performance based compensation	3,969	3,195
-	11	Severance costs and restructuring costs	22	21
1,465	1,190	Amortization expense of acquired intangible assets	4,281	3,570
774	-	Acquisition costs	822	-
-	-	Consulting expense: commercial growth initiatives	81	19
6,235	7,660	Operating Income	23,825	26,507
(22)	75	Other expense (income)	300	142
661	134	Interest expense, net	2,264	1,153
5,596	7,451	Income before taxes	21,261	25,212
1,713	2,076	Income tax	5,049	5,903
\$ 3,883	\$ 5,375	Net income	\$ 16,212	\$ 19,309
Weighted Average Common Shares Outstanding				
30,003	29,163	Basic	29,841	28,981
30,966	30,122	Diluted	30,790	30,005
Earnings Per Share				
\$ 0.13	\$ 0.18	Basic	\$ 0.54	\$ 0.67
\$ 0.13	\$ 0.18	Diluted	\$ 0.53	\$ 0.64

	<i>(amounts in thousands)</i>	
	March 31 2025	June 30, 2024
Current assets	\$ 185,510	\$ 162,499
Property, plant and equipment, net	31,254	32,959
Other assets	164,101	153,342
Total assets	\$ 380,865	\$ 348,800
Current maturities of long-term debt	\$ 3,571	\$ 3,571
Other current liabilities	85,621	75,636
Long-term debt	51,789	50,658
Other long-term liabilities	18,171	14,580
Shareholders' equity	221,713	204,355
	\$ 380,865	\$ 348,800

Three Months Ended March 31, 2025 Results

Net sales for the three months ended March 31, 2025, were \$132.5 million representing an increase of 22% compared to the three months ended March 31, 2024, net sales of \$108.2 million. Lighting Segment net sales of \$59.0 million decreased 9% and Display Solutions Segment net sales of \$73.5 million increased 70% from last year's second quarter net sales. Net income for the three months ended March 31, 2025, was \$3.9 million, or \$0.13 per share, compared to \$5.4 million or \$0.18 per share for the three months ended March 31, 2024. Earnings per share represents diluted earnings per share.

Nine Months Ended March 31, 2025 Results

Net sales for the nine months ended March 31, 2025, were \$418.3 million representing a 23% increase from the nine months ended March 31, 2024, net sales of \$340.6 million. Lighting Segment net sales of \$175.6 million decreased 11% and Display Solutions Segment net sales of \$242.7 million increased 69% from last year's net sales. Net income for the nine months ended March 31, 2025, was \$16.2 million, or \$0.53 per share, compared to \$19.3 million or \$0.64 per share for the nine months ended March 31, 2024. Earnings per share represents diluted earnings per share.

Balance Sheet

The balance sheet at March 31, 2025, included current assets of \$185.5 million, current liabilities of \$89.2 million and working capital of \$96.3 million, which includes cash of \$4.3 million. The current ratio was 2.1 to 1. The balance sheet also included shareholders' equity of \$221.7 million and long-term debt of \$51.8 million. It is the Company's priority to continuously generate sufficient cash flow, coupled with an approved credit facility, to adequately fund operations.

Cash Dividend Actions

The Board of Directors declared a regular quarterly cash dividend of \$0.05 per share in connection with the third quarter of fiscal 2025, payable May 13, 2025, to shareholders of record as of the close of business on May 5, 2025. The indicated annual cash dividend rate is \$0.20 per share. The Board of Directors has adopted a policy regarding dividends which provides that dividends will be determined by the Board of Directors in its discretion based upon its evaluation of earnings both on a GAAP and non-GAAP basis, cash flow requirements, financial condition, debt levels, stock repurchases, future business developments and opportunities, and other factors deemed relevant by the Board.

Non-GAAP Financial Measures

This press release includes adjustments to GAAP operating income, net income, and earnings per share for the three and nine months ended March 31, 2025, and 2024. Operating income, net income, and earnings per share, which exclude the impact of long-term performance based compensation expense, the amortization expense of acquired intangible assets, commercial growth opportunity expense, acquisition costs, the lease expense on the step-up basis of acquired leases, and restructuring and severance costs, are non-GAAP financial measures. We further note that while the amortization expense of acquired intangible assets is excluded from the measures, the revenue of the acquired companies is reflected in the measures and the acquired assets contribute to revenue generation. We exclude these items because we believe they are not representative of the ongoing results of the operations of the business. Also included in this press release are non-GAAP financial measures, including Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA and Adjusted EBITDA), Net Debt to Adjusted EBITDA, Free Cash Flow, and organic sales growth. We believe that these are useful as supplemental measures in assessing the operating performance of our business. These measures are used by our management, including our chief operating decision maker, to evaluate business results, and are frequently referenced by those who follow the Company. These non-GAAP measures may be different from non-GAAP measures used by other companies. In addition, the non-GAAP measures are not based on any comprehensive set of accounting rules or principles. Non-GAAP measures have limitations, in that they do not reflect all amounts associated with our results as determined in accordance with U.S. GAAP. Therefore, these measures should be used only to evaluate our results in conjunction with corresponding GAAP measures. Below is a reconciliation of these non-GAAP measures to net income and earnings per share reported for the periods indicated along with the calculation of EBITDA, Adjusted EBITDA, Free Cash Flow, Net Debt to Adjusted EBITDA, and organic sales growth.

Three Months Ended March 31			(Unaudited) (In thousands, except per share data)	Nine Months Ended March 31		
2025	2024	% Change		2025	2024	% Change
\$ 132,481	\$ 108,186	22%	Net sales	\$ 418,310	\$ 340,632	23%
6,235	7,660	-19%	Operating income as reported	23,825	26,507	-10%
1,116	1,021	9%	Long-term performance based compensation	3,969	3,195	24%
-	141	NM	Severance costs and restructuring costs	60	529	NM
1,465	1,190	23%	Amortization expense of acquired intangible assets	4,281	3,570	20%
774	-	NM	Acquisition costs	822	-	NM
67	-	NM	Expense on step-up basis of acquired lease	203	-	NM
-	-	NM	Consulting expense: commercial growth initiatives	81	19	NM
\$ 9,657	\$ 10,012	-4%	Operating income as adjusted	\$ 33,241	\$ 33,820	-2%
\$ 3,883	\$ 5,375	-28%	Net income as reported	\$ 16,212	\$ 19,309	-16%
\$ 6,331	\$ 7,131	-11%	Net income as adjusted	\$ 22,307	\$ 23,990	-7%
\$ 0.13	\$ 0.18	-28%	Earnings per share (diluted) as reported	\$ 0.53	\$ 0.64	-17%
\$ 0.20	\$ 0.24	-17%	Earnings per share (diluted) as adjusted	\$ 0.72	\$ 0.80	-10%

Three Months Ended March 31				(In thousands, except per share data)	Nine Months Ended March 31			
2025	Diluted EPS	2024	Diluted EPS		2025	Diluted EPS	2024	Diluted EPS
\$ 3,883	\$ 0.13	\$ 5,375	\$ 0.18	Reconciliation of net income to adjusted net income	\$ 16,212	\$ 0.53	\$ 19,309	\$ 0.64
879	0.02	767	0.03	Long-Term Performance Based Compensation	3,039	0.09	2,366	0.08
-	-	-	-	Consulting expense: Commercial Growth Initiatives	62	-	13	-
577	0.02	-	-	Acquisition Costs	627	0.02	-	-
52	-	-	-	Lease expense on the step-up basis of acquired leases	155	-	-	-
-	-	101	-	Severance costs and Restructuring costs	45	-	391	0.01
1,128	0.04	888	0.03	Amortization expense of acquired intangible assets	3,260	0.11	2,643	0.10
(188)	(0.01)	-	-	Tax rate difference between reported and adjusted net income	(1,093)	(0.03)	(732)	(0.03)
\$ 6,331	\$ 0.20	\$ 7,131	\$ 0.24	Net income adjusted	\$ 22,307	\$ 0.72	\$ 23,990	\$ 0.80

Effective in the first quarter of fiscal 2025, LSI will include the amortization expense related to acquired intangible assets as an add-back to its non-GAAP reconciliation. Prior quarter non-GAAP reconciliations have been adjusted accordingly.

Three Months Ended March 31			(Unaudited; In thousands)	Nine Months Ended March 31		
2025	2024	% Change	Net Income to Adjusted EBITDA	2025	2024	% Change
3,883	5,375	-28%	Net income as reported	16,212	19,309	-16%
1,713	2,076		Income Tax	5,049	5,903	
661	134		Interest expense, net	2,264	1,153	
(22)	75		Other expense (income)	300	142	
\$ 6,235	\$ 7,660	-19%	Operating Income as reported	\$ 23,825	\$ 26,507	-10%
3,062	2,415		Depreciation and amortization	9,020	7,143	
\$ 9,297	\$ 10,075	-8%	EBITDA	\$ 32,845	\$ 33,650	-2%
Long-Term Performance Based						
1,116	1,021		Compensation	3,969	3,195	
-	141		Severance costs and Restructuring costs	60	529	
Consulting expense: commercial growth initiatives						
-	-			81	19	
774	-		Acquisition costs	822	-	
Expense on step-up basis of acquired lease						
67	-			203	-	
\$ 11,254	\$ 11,237	0%	Adjusted EBITDA	\$ 37,980	\$ 37,393	2%
Adjusted EBITDA as a percentage of						
8.5%	10.4%		Sales	9.1%	11.0%	

Three Months Ended March 31			(Unaudited; In thousands)		Nine Months Ended March 31		
2025	2024	% Change	Free Cash Flow		2025	2024	% Change
\$ 5,406	\$ 12,429	NM	Cash flow from operations		\$ 27,143	\$ 32,297	NM
(690)	(1,277)	-46%	Capital expenditures		(2,515)	(4,626)	-46%
\$ 4,716	\$ 11,152	NM	Free cash flow		\$ 24,628	\$ 27,671	NM

Net Debt to Adjusted EBITDA Ratio		(amounts in thousands)	
		March 31 2025	March 31 2024
Current Maturity of Debt		\$ 3,571	\$ 3,571
Long-Term Debt		51,789	12,782
Total Debt		\$ 55,360	\$ 16,353
Less: Cash		(4,301)	(7,175)
Net Debt		\$ 51,059	\$ 9,178
Adjusted EBITDA - Trailing Twelve Months		\$ 52,024	\$ 51,496
Net Debt to Adjusted EBITDA Ratio		1.0	0.2

Organic compared to Inorganic Sales	Q3 2025	Q3 2024	% Variance
Lighting Segment	\$ 58,967	\$ 64,881	-9%
Display Solutions Segment			
- Comparable Display Solutions Sales	\$ 49,728	\$ 43,305	15%
- EMI	\$ 22,417	-	
- Canada's Best	\$ 1,369	-	
Total Diplay Solutions Sales	\$ 73,514	\$ 43,305	70%
Total net sales	\$ 132,481	\$ 108,186	22%
Less:			
EMI	22,417	-	
Canada's Best Holdings	1,369	-	
Total organic net sales	\$ 108,695	\$ 108,186	-

Reconciliation of net income to adjusted net income - Seven quarter view

	FY 2024			
	Q1 2024	Diluted EPS	Q2 2024	Diluted EPS
Net income reported	\$ 8,028	\$ 0.27	\$ 5,906	\$ 0.20
Consulting expense: commercial growth initiatives	13	-	-	-
Amortization expense of acquired intangible assets	870	0.03	885	0.03
Severance costs/Restructuring costs	256	0.01	34	-
Long-term performance based compensation	974	0.03	625	0.02
Tax rate difference between reported and adjusted net income	(531)	(0.02)	(201)	(0.01)
Net income adjusted	\$ 9,610	\$ 0.32	\$ 7,249	\$ 0.24
Adjusted net income %	7.8%		6.7%	

	FY 2024			
	Q3 2024	Diluted EPS	Q4 2024	Diluted EPS
Net income reported	\$ 5,375	\$ 0.18	\$ 5,668	\$ 0.19
Acquisition costs	-	-	722	0.02
Amortization expense of acquired intangible assets	888	0.03	1,028	0.04
Severance costs/Restructuring costs	101	-	5	-
Long-term performance based compensation	767	0.03	906	0.03
Tax rate difference between reported and adjusted net income	-	-	(25)	-
Net income adjusted	\$ 7,131	\$ 0.24	\$ 8,304	\$ 0.28
Adjusted net income %	6.6%		6.4%	

	FY 2025			
	Q1 2025	Diluted EPS	Q2 2025	Diluted EPS
Net income reported	\$ 6,682	\$ 0.22	\$ 5,647	\$ 0.18
Acquisition costs	36	-	-	-
Consulting expense: commercial growth initiatives	-	-	62	-
Amortization expense of acquired intangible assets	1,042	0.03	1,090	0.04
Lease expense on the step-up basis of acquired leases	50	-	53	-
Severance costs/Restructuring costs	45	-	-	-
Long-term performance based compensation	881	0.03	1,294	0.04
Tax rate difference between reported and adjusted net income	(755)	(0.02)	(150)	-
Net income adjusted	\$ 7,981	\$ 0.26	\$ 7,996	\$ 0.26
Adjusted net income %	5.8%		5.4%	

	FY 2025	
	Q3 2025	Diluted EPS
Net income reported	\$ 3,883	\$ 0.13
Acquisition costs	577	0.02
Consulting expense: commercial growth initiatives	-	-
Amortization expense of acquired intangible assets	1,128	0.04
Lease expense on the step-up basis of acquired leases	52	-
Severance costs/Restructuring costs	-	-
Long-term performance based compensation	879	0.02
Tax rate difference between reported and adjusted net income	(188)	(0.01)
Net income adjusted	\$ 6,331	\$ 0.20
Adjusted net income %	4.8%	



**Fiscal Third Quarter
2025 Results
Conference Call**
April 24, 2025

DISCLAIMER

Forward-Looking Statements



This presentation contains "forward-looking statements"—that is, statements related to future events within the meaning of the Private Securities Litigation Reform Act of 1995. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. Forward-looking statements often address our expected future business, financial performance, financial condition and results of operations, often contain words such as "estimates," "targets," "anticipates," "hopes," "projects," "plans," "expects," "intends," "believes," "seeks," "may," "will," "see," "should" and similar expressions and the negative versions of those words, and may be identified by the context in which they are used.

Such statements, whether expressed or implied, are based upon current expectations of LSI and speak only as of the date made. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed or implied. Forward-looking statements include statements that address activities, events or developments that LSI expects, believes or anticipates will or may occur in the future, such as earnings estimates (including projections and guidance) and other predictions of financial performance. Forward-looking statements are based on LSI's experience and perception of current conditions, trends, expected future developments and other factors it believes are appropriate under the circumstances and are subject to numerous risks and uncertainties, many of which are beyond LSI's control.

These risks and uncertainties include, but are not limited, to the following: the impact of competitive products and services; product and pricing demands, and market acceptance risks; LSI's reliance on third-party manufacturers and suppliers; substantial changes to the refueling and convenience store and grocery markets; LSI's stock price volatility; potential costs associated with litigation, other proceedings and regulatory compliance; LSI's ability to develop, produce and market quality products that meet customers' needs; LSI's ability to adequately protect intellectual property; information technology security threats and computer crime; reliance on customers and partner relationships; financial difficulties experienced by customers; the cyclical and seasonal nature of our business; the adequacy of reserves and allowances for doubtful accounts; the failure of investments, acquisitions or acquired companies to achieve their plans or objectives generally; unexpected difficulties in integrating acquired businesses; the inability to effectively execute our business strategies; the ability to retain key employees, including key employees of acquired businesses; labor shortages or an increase in labor costs; changes in product mix; unfavorable economic, political, and market conditions, including interest rate fluctuations and inflation; changes in U.S. trade policy; the results of asset impairment assessments; risks related to disruptions or reductions in business operations or prospects due to international conflicts and wars, pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases; price increases of materials; significant shortages of materials; shortages in transportation; increases in fuel prices; sudden or unexpected changes in customer creditworthiness; not recognizing all revenue or not receiving all customer payments; write-offs or impairment of capitalized costs or intangible assets in the future or restructuring costs; and the other risk factors LSI describes from time to time in SEC filings. There may be additional risks of which we are not presently aware or that we currently believe are immaterial which could have an adverse impact on our business.

You are cautioned to not place undue reliance on these forward-looking statements. LSI does not guarantee any forward-looking statement, and actual results may differ materially from those projected. LSI undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, circumstances or otherwise. Additional descriptions of risks, uncertainties and other matters can be found in our annual reports on Form 10-K and quarterly reports on Form 10-Q that we file with the SEC and are incorporated herein by reference. Our public communications and other reports may contain forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially.

KEY MESSAGES

Fiscal Third Quarter 2025 Results



Revenue driven by 15% Display Solutions organic growth; backlog increased 15% on strong order intake

Sales growth of 22% despite extreme fluctuations in customer project schedules and overall demand levels

Strength in Display Solutions driven by continued Refueling / C-Store momentum, demand resumption in Grocery

Grocery vertical realized over 20% growth in the quarter, with demand balanced across multiple customers



Strong commercial execution despite customer and macro volatility

Q3FY25 sales 22% above PY driven by strong performance in Refueling / C-Store, grocery, and contribution from acquisitions. Display Solutions' organic sales increased 15% due to ongoing strength in Refueling / C-Store and continued rebound in grocery.



Adjusted EBITDA increased modestly; Margins reflect transitory impacts to Display Solutions

Margins reflect transitory impacts to Display Solutions driven by rapid increase in demand, high levels of customer schedule changes, and y/t/y addition of EMI; Lighting margins improved.



Purpose built supply chain ensures product availability and on-time delivery

We continue to closely manage our supply chain and respond to tariff activity, adjusting selling prices and inventory levels as required. With most of our sourcing and manufacturing US based, we expect no disruption to customer service.



Lighting experienced significant rebound in project order activity, driving 18% backlog growth

Increased order levels generated a book-to-bill ratio of 1.13x for Lighting, driven by a considerable number of outstanding larger project quotes converting to orders.



Display Solutions growth broad-based across multiple verticals, order activity stable at elevated levels

Organic growth led by strength in Refueling / C-Store vertical and the resumption of demand in the Grocery; exited the quarter with a strong Display backlog and a book-to-bill of 1.0.



Executing on Fast Forward value creation initiative

Vertical market strategy continues to focus on organic & complementary inorganic growth, including the fiscal third quarter acquisition of Canada's Best Holding.

CONSOLIDATED FINANCIAL RESULTS

Integrated, Solutions-Based Offering Gaining Momentum in Targeted Vertical Markets



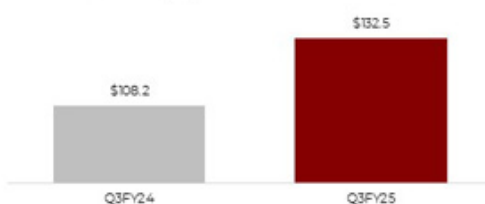
Key Vertical Markets driving solid sales and order performance

Display Solutions generated 15% organic sales growth, supported by increased sales across multiple vertical markets; order activity remains stable at elevated levels

Lighting sales were below PY due to fewer large projects; however, improved order activity resulted in 18% backlog growth

Margin realization unfavorably impacted by volume ramp and volatility in Display Solutions project scheduling, and EMI mix impact

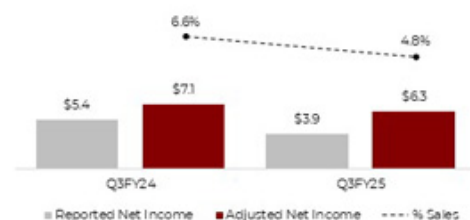
Total Net Sales (\$M)



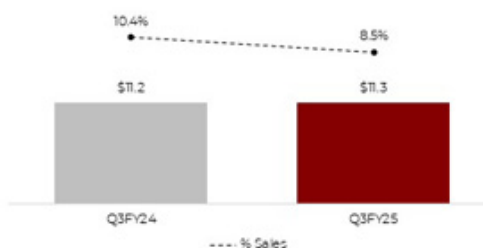
Operating Income (\$M)



Net Income (\$M)



Non-GAAP Adjusted EBITDA (\$M)



DISPLAY SOLUTIONS SEGMENT UPDATE

Continued Momentum Across Vertical Markets, Grocery Rebound Drive Strong Growth



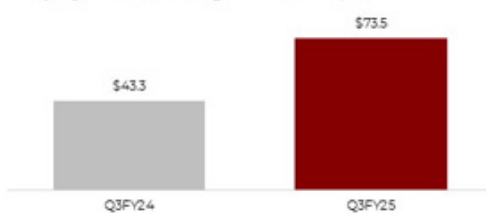
Display Solutions sales increased 70%, with 15% organic sales growth. Refueling / C-Store +60% driven by several major programs, Grocery +20%

EMI continued to perform well generating proforma sales growth; Canada's Best further expands geographic reach and vertical market focus

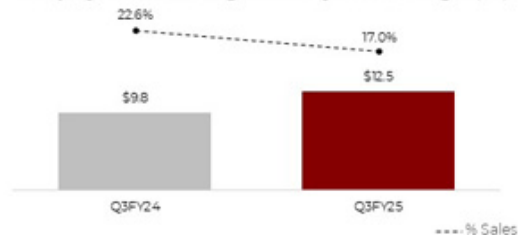
Display Solutions segment orders activity stable at elevated level, B-to-B of 1.0x

Operations team managed an extremely volatile customer scheduling period, a competency recognized by our customers. Schedules are stabilizing, and improved efficiency and margins are projected moving forward

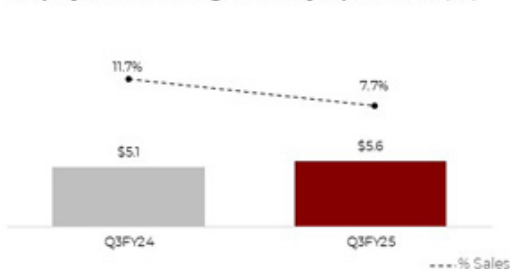
Display Solutions Segment Sales (\$M)



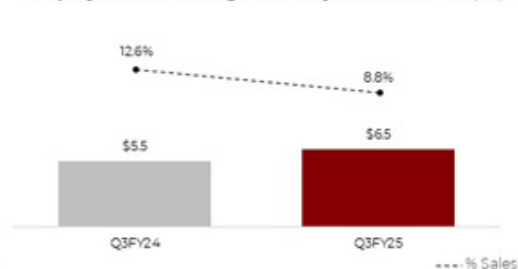
Display Solutions Segment Adj. Gross Margin (\$M)



Display Solutions Segment Adj. Op. Income (\$M)



Display Solutions Segment Adjusted EBITDA (\$M)



LIGHTING SEGMENT UPDATE

Large Project Quotes Convert to Orders; Margins Remain Healthy; Backlog +18% Versus PY



Lighting segment sales down y/y given lower large project shipment activity

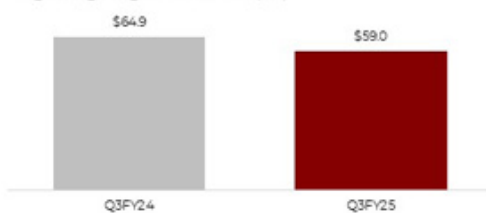
Increased order levels generated a B-to-B ratio of 1.13, driven by larger project quotes converting to orders

Exit fiscal Q3 ending backlog 18% above PY

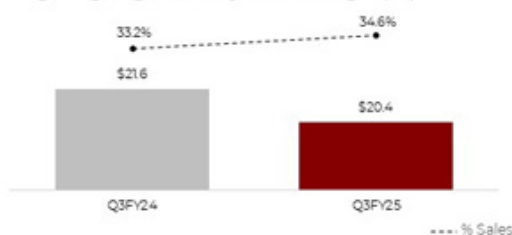
Operating margin expanded 110 basis, driven by increased mix of higher value applications, stable pricing and lower costs

Supply chain built to ensure product availability. Actions taken to manage any tariff impact

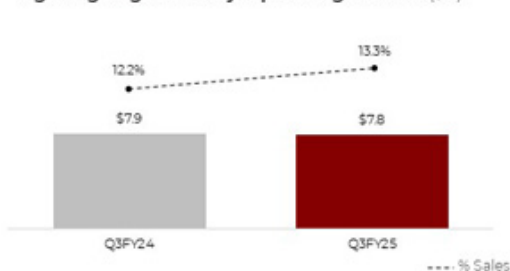
Lighting Segment Sales (\$M)



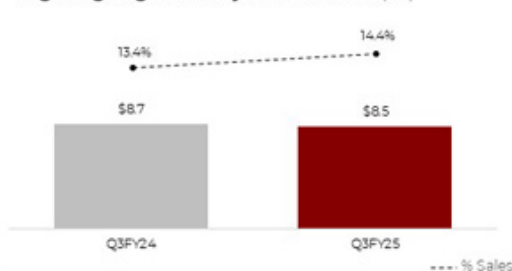
Lighting Segment Adj. Gross Margin (\$M)



Lighting Segment Adj. Operating Income (\$M)



Lighting Segment Adjusted EBITDA (\$M)



STRONG BALANCE SHEET; CONSISTENT CASH GENERATION

Allocating Free Cash Generation Toward Debt Reduction, High-Return Investments



Generated free cash flow of \$4.7 million; TTM free cash flow through Q3FY25 of \$35 million

Net debt \$51 million in Q3FY25, reflecting Canada's Best acquisition; net leverage ratio of 1.0x at 3/31/25 provides ample financial flexibility

Expect to quickly de-lever throughout CY25; Long-term capital deployment priorities continue to focus on reinvestment in the core business, together with opportunistic acquisition of complementary assets that support our *Fast Forward* strategy

Free Cash Flow (\$M)⁽¹⁾



TTM Free Cash Flow (\$M)⁽¹⁾



Net Debt Outstanding (\$M)⁽²⁾



(1) Free cash flow (FCF) defined as cash flow from operating activities less capital expenditures

(2) Net leverage defined as net debt divided by trailing 12-month Adjusted EBITDA

DISCIPLINED WORKING CAPITAL MANAGEMENT

Continue to Align Inventory Levels with Anticipated Demand Conditions Entering 2H FY25



Disciplined working capital management supporting strong free cash generation

Comparable (excl. EMI and Canada's Best) working capital and inventory approx. flat sequentially and to prior year

Multiple actions have been implemented to ensure supply chain reliability, as well as offsetting any tariff impacts, all while opportunistically leveraging our domestic manufacturing capabilities in the market

Total Working Capital (\$M)



Total Inventory (\$M)





APPENDIX

STATEMENT ON NON-GAAP FINANCIAL MEASURES



This presentation includes adjustments to GAAP gross margin, operating income, net income, and earnings per share for the periods ending March 31, 2024, and March 31, 2025. Gross Margin, operating income, net income, and earnings per share, which exclude the impact of long-term performance-based compensation, severance costs, restructuring costs, lease expense on the step-up basis of acquired leases, the amortization expense of acquired intangible assets, consulting expenses supporting commercial growth initiatives, and acquisition costs are non-GAAP financial measures. We believe these non-GAAP measures will provide increased transparency to our core operating performance of the business. Also included in this presentation are non-GAAP financial measures, including Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA and Adjusted EBITDA), Free Cash Flow, Organic Sales Growth, and Net Debt. We believe that these are useful as supplemental measures in assessing the operating performance of our business. These measures are used by our management, including our chief operating decision maker, to evaluate business results and are frequently referenced by those who follow the Company. These non-GAAP measures may be different from non-GAAP measures used by other companies. In addition, the non-GAAP measures are not based on any comprehensive set of accounting rules or principles. Non-GAAP measures have limitations in that they do not reflect all amounts associated with our results as determined in accordance with U.S. GAAP. Therefore, these measures should be used only to evaluate our results in conjunction with corresponding GAAP measures. Below is a reconciliation of these non-GAAP measures to the net income and earnings per share reported for the periods indicated, along with the calculation of EBITDA, Adjusted EBITDA, Free Cash Flow, Organic Sales Growth, and Net Debt.

NON-GAAP RECONCILIATION



LSI Industries	Q3 2024	Q3 2025
Net Sales	108,186	132,481
Gross Margin	31,210	32,843
Lease expense on the step-up basis of acquired leases		67
Severance costs/Restructuring costs	130	-
Adjusted Gross Margin	31,340	32,910
Adjusted Gross Margin %	29.0%	24.8%

Lighting Segment	Q3 2024	Q3 2025
Net Sales	64,881	58,967
Gross Margin	21,564	20,384
Severance costs/Restructuring costs	-	-
Adjusted Gross Margin	21,564	20,384
Adjusted Gross Margin %	33.2%	34.6%

Display Solutions Segment	Q3 2024	Q3 2025
Net Sales	43,305	73,514
Gross Margin	9,645	12,457
Lease expense on the step-up basis of acquired leases		67
Severance costs/Restructuring costs	130	-
Adjusted Gross Margin	9,775	12,524
Adjusted Gross Margin %	22.6%	17.0%

NON-GAAP RECONCILIATION



LSI Industries	Q3 2024	Q3 2025
Net Sales	108,186	132,481
Operating Income	7,660	6,235
Consulting expense: commercial growth initiatives	-	-
Acquisition Costs	-	774
Amortization expense of acquired intangible assets	1,189	1,465
Lease expense on the step-up basis of acquired leases	-	67
Severance costs/Restructuring costs	142	-
Long-term performance based compensation	1,021	1,116
Adjusted Operating Income	10,012	9,657
Adjusted Operating %		7.3%
Depreciation expense	1,225	1,597
Adjusted EBITDA	11,237	11,254
Adjusted EBITDA %	10.4%	8.5%

Lighting Segment	Q3 2024	Q3 2025
Net Sales	64,881	58,967
Operating Income	7,268	7,154
Amortization expense of acquired intangible assets	603	603
Severance costs/Restructuring costs	12	-
Long-term performance based compensation	43	78
Adjusted Operating Income	7,926	7,835
Adjusted Operating %	12.2%	13.3%
Depreciation expense	739	681
Adjusted EBITDA	8,665	8,516
Adjusted EBITDA %	13.4%	14.4%

Display Solutions Segment	Q3 2024	Q3 2025
Net Sales	43,305	73,514
Operating Income	4,070	4,510
Amortization expense of acquired intangible assets	587	862
Lease expense on the step-up basis of acquired leases	-	67
Severance costs/Restructuring costs	130	-
Long-term performance based compensation	283	193
Adjusted Operating Income	5,070	5,632
Adjusted Operating %	11.7%	7.7%
Depreciation expense	394	832
Adjusted EBITDA	5,464	6,464
Adjusted EBITDA %	12.6%	8.8%

Effective in the first quarter of fiscal 2025, LSI will include the amortization expense related to acquired intangible assets as an add-back to its non-GAAP reconciliation. Prior quarter non-GAAP reconciliations have been adjusted accordingly.

NON-GAAP RECONCILIATION



LSI Industries	Diluted		Diluted		Diluted		Diluted	
	Q1 2024	EPS	Q2 2024	EPS	Q3 2024	EPS	Q4 2024	EPS
Net Income Reported	\$ 8,028	\$ 0.27	\$ 5,906	\$ 0.20	\$ 5,375	\$ 0.18	\$ 5,668	\$ 0.19
Acquisition costs	-	-	-	-	-	-	722	0.02
Consulting expense: commercial growth initiatives	13	-	-	-	-	-	-	-
Amortization expense of acquired intangible assets	870	0.03	885	0.03	888	0.03	1,028	0.04
Lease expense on the step-up basis of acquired leases	-	-	-	-	-	-	-	-
Severance costs/Restructuring costs	256	0.01	34	-	101	-	5	-
Long-term performance based compensation	974	0.03	625	0.02	767	0.03	906	0.03
Tax rate difference between reported and adjusted net income	(531)	(0.02)	(201)	(0.01)	-	-	(25)	-
Net Income Adjusted	\$ 9,610	\$ 0.32	\$ 7,249	\$ 0.24	\$ 7,131	\$ 0.24	\$ 8,304	\$ 0.28
Adjusted Net Income %	7.8%		6.7%		6.6%		6.4%	

LSI Industries	Diluted		Diluted		Diluted	
	Q1 2025	EPS	Q2 2025	EPS	Q3 2025	EPS
Net Income Reported	\$ 6,682	\$ 0.22	\$ 5,647	\$ 0.18	\$ 3,883	\$ 0.13
Acquisition costs	36	-	-	-	577	0.02
Consulting expense: commercial growth initiatives	-	-	62	-	-	-
Amortization expense of acquired intangible assets	1,042	0.03	1,090	0.04	1,128	0.04
Lease expense on the step-up basis of acquired leases	50	-	53	-	52	-
Severance costs/Restructuring costs	45	-	-	-	-	-
Long-term performance based compensation	881	0.03	1,294	0.04	879	0.02
Tax rate difference between reported and adjusted net income	(755)	(0.02)	(150)	-	(188)	(0.01)
Net Income Adjusted	\$ 7,981	\$ 0.26	\$ 7,996	\$ 0.26	\$ 6,331	\$ 0.20
Adjusted Net Income %	5.8%		5.4%		4.8%	

Effective in the first quarter of fiscal 2025, LSI will include the amortization expense related to acquired intangible assets as an add-back to its non-GAAP reconciliation. Prior quarter non-GAAP reconciliations have been adjusted accordingly.

NON-GAAP RECONCILIATION



LSI Industries	Q3 2024	Q3 2025
Net Income Reported	\$ 5,375	\$ 3,883
Income tax	2,076	1,713
Interest expense, net	134	661
Other expense (income)	75	(22)
Operating Income as Reported	7,660	6,235
Depreciation and amortization	2,415	3,062
EBITDA	\$ 10,075	\$ 9,297
Acquisition Costs	-	774
Lease expense on the step-up basis of acquired leases	-	67
Severance costs/Restructuring costs	141	-
Long-term performance based compensation	1,021	1,116
Adjusted EBITDA	\$ 11,237	\$ 11,254
Adjusted EBITDA as a percentage of Sales	10.4%	8.5%

NON-GAAP RECONCILIATION



Free Cash Flow	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Cash flow from operations	\$ 12,429	\$ 11,096	\$ 11,846	\$ 9,891	\$ 5,406
Less: Capital expenditures	\$ (1,277)	\$ (762)	\$ (759)	\$ (1,066)	\$ (690)
Free cash flow	\$ 11,152	\$ 10,334	\$ 11,087	\$ 8,825	\$ 4,716

Net Debt Outstanding and Leverage Ratio	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Total debt	16,354	54,229	47,689	38,186	55,360
Less: cash	(7,175)	(4,110)	(6,969)	(4,712)	(4,301)
Net debt	\$ 9,179	\$ 50,119	\$ 40,720	\$ 33,474	\$ 51,059
Adjusted EBITDA - trailing twelve months	\$ 51,496	\$ 51,436	\$ 49,770	\$ 52,006	\$ 52,024
Net leverage ratio	0.2	1.0	0.8	0.6	1.0

Organic compared to Inorganic Sales	Q3 2024	Q3 2025	% Variance
Lighting Segment	\$ 64,881	\$ 58,967	-9%
Display Solutions Segment			
- Comparable Display Solutions Sales	\$ 43,305	\$ 49,728	15%
- EMI	-	\$ 22,417	
- Canada's Best	\$ -	\$ 1,369	
Total Display Solutions Sales	\$ 43,305	\$ 73,514	70%
Total net sales	\$108,186	\$132,481	22%
Less:			
EMI	-	22,417	-
Canada's Best	-	1,369	-
Total organic net sales	\$108,186	\$108,695	-



For Additional Questions,
Please Contact 720.778.2415

Thank you,

LSI Investor Relations