



FOURTH QUARTER FISCAL 2021
NASDAQ: DAKT

DAKTRONICS

SAFE HARBOR STATEMENT

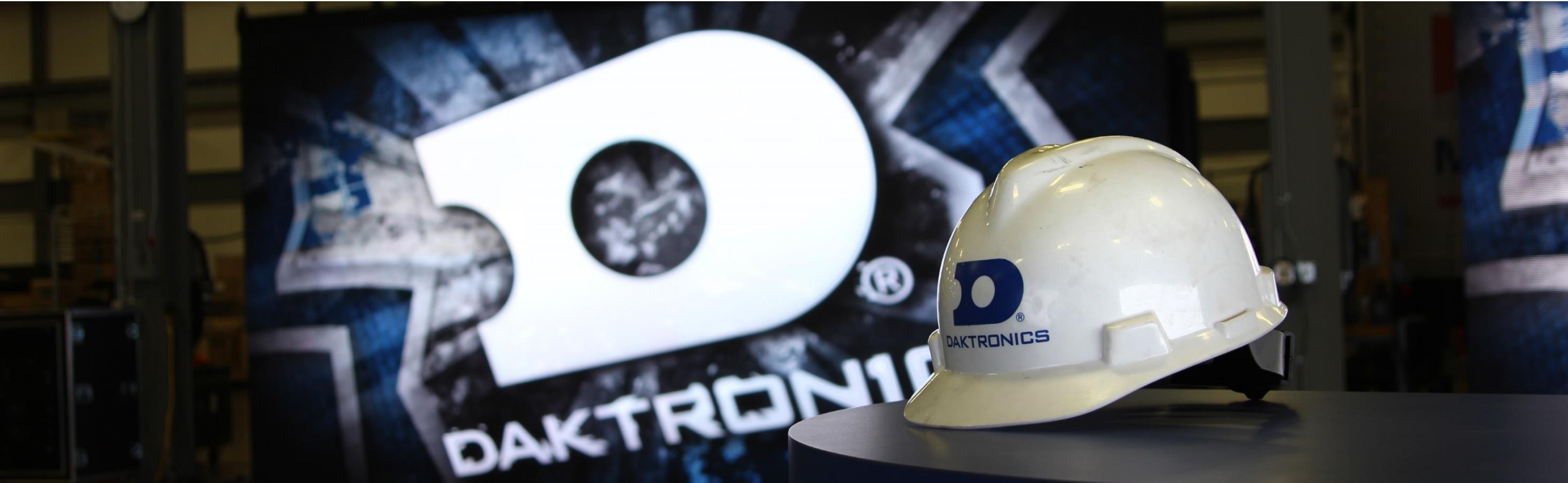
In addition to statements of historical fact, this presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and is intended to enjoy the protection of that Act.

All forward-looking statements involve risks and uncertainties which may be out of our control and may cause actual results to differ materially. Such risks include changes in economic conditions, changes in the competitive and market landscape, including impacts of global trade discussions and policies, the impact of governmental laws, regulations, and orders, as a result of the COVID-19 pandemic, disruptions to our business caused by geopolitical events, military actions, work stoppages, nature disasters, or international health emergencies, such as the COVID-19 pandemic, management of growth, timing and magnitude of future contracts, fluctuations of margins, the introduction of new products and technology, availability of raw materials and components, and other important factors as noted and detailed in our 10-K and 10-Q SEC filings.

Forward-looking statements are made in the context of information available as of the date stated. The Company undertakes no obligation to update or revise such statements to reflect new circumstances or unanticipated events as they occur.



DAKTRONICS VISION



To be the world leader at informing and entertaining audiences through dynamic audio-visual communication systems.



DAKTRONICS MISSION

Our Values Reflect our Mission

Every day, our values are reflected in the way we build our products and our relationships. We deliver industry-leading value to our customers by:



Engaging our employees through challenging and rewarding opportunities



Developing strategic partnerships with our suppliers



Leveraging our strengths in product innovation, manufacturing and service

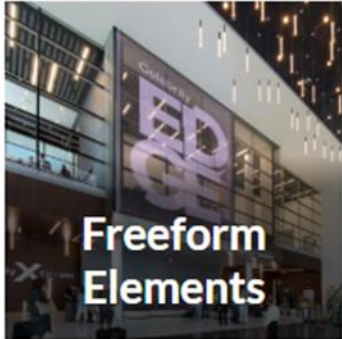
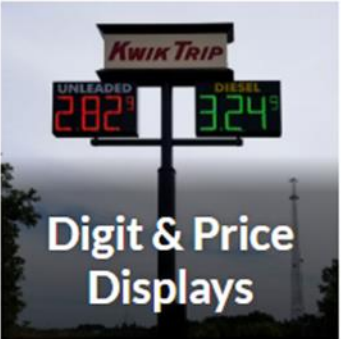
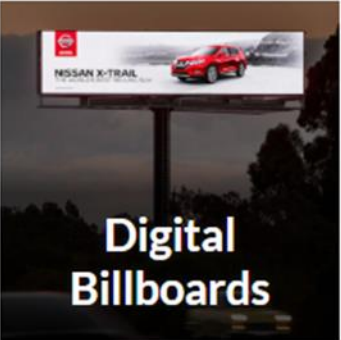
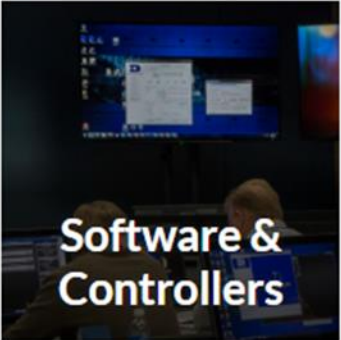
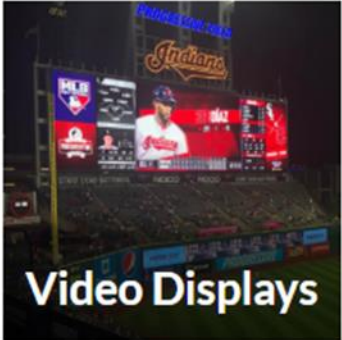
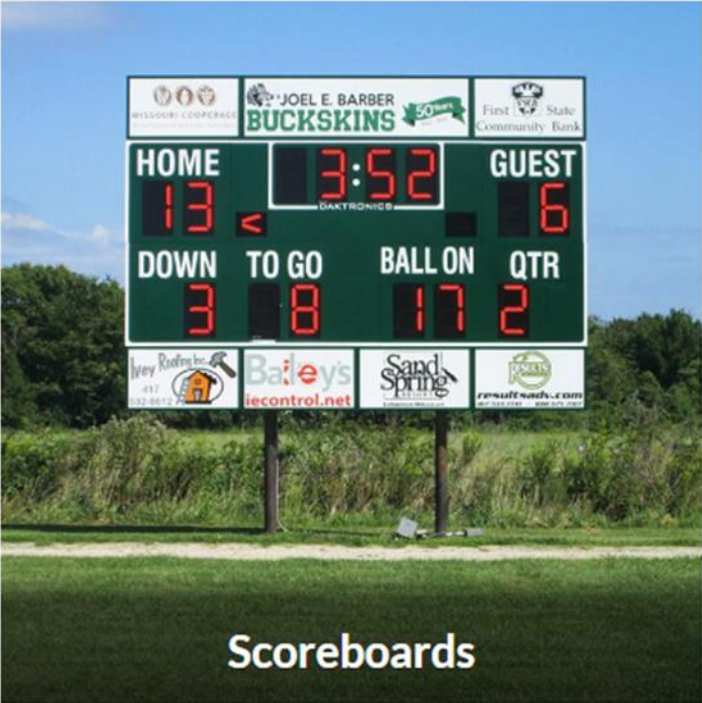


Contributing to the betterment of our communities



Generating an attractive return for investors

WORLD LEADER





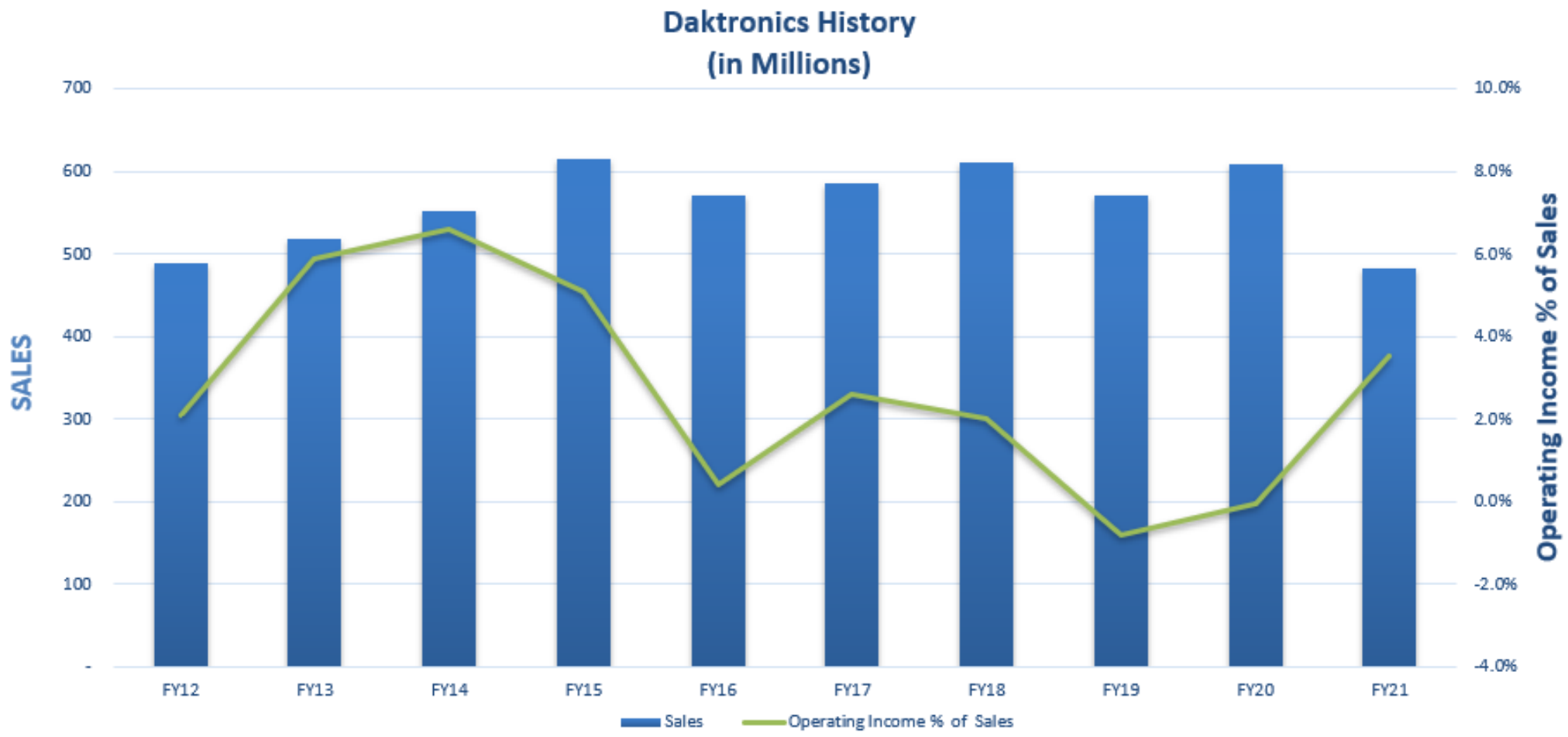
★: Sales Office
★: Manufacturing Facility

OFFICES AROUND THE GLOBE

Products in **120+ Countries**
throughout the world



10 YEAR HISTORY SALES & OPERATING INCOME %



10 Year History Free-Cash Flow*

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Net cash from operations	\$ 20,038	\$ 50,749	\$ 36,199	\$ 54,702	\$ 13,354	\$ 39,407	\$ 30,361	\$ 29,546	\$ 10,808	\$ 66,212
Net capital expenditures	(16,293)	(9,476)	(13,281)	(24,830)	(23,963)	(8,304)	(15,948)	(16,661)	(17,769)	(4,707)
Free cash flow**	\$ 3,745	\$ 41,273	\$ 22,918	\$ 29,872	\$ (10,609)	\$ 31,103	\$ 14,413	\$ 12,885	\$ (6,961)	\$ 61,505

*\$ in thousands



10 Year History Return to Shareholders

- ✓ We suspended dividends and share repurchases starting in April 2020 because of uncertainties caused by COVID-19 pandemic
- ✓ Share Repurchase program instituted 2017 for opportunistic stock purchases

Fiscal Year	Regular Dividend/ Share	Annualized Dividend Yield	Special Dividend/ Share	Total Dividend Payout (000's)
2012 ⁽¹⁾	0.220	1.9%	0.400	25,950
2013	0.230	3.6%	0.500	30,859
2014 ⁽²⁾	0.390	3.0%	-	16,690
2015	0.400	3.7%	-	17,377
2016	0.400	5.1%	-	17,556
2017	0.270	2.8%	0.040	13,651
2018	0.280	3.1%	-	12,424
2019	0.280	3.8%	-	12,554
2020	0.200	4.5%	-	8,994
2021	-	0.0%	-	-

(1) – changed to semi-annual dividend

(2) – changed to quarterly dividend



More about Daktronics

- ✓ 52/53 Week Fiscal Years ending in April
- ✓ Seasonality to results (Sports/Construction season)
- ✓ Video systems comprise a large portion of business with standard systems and services comprising the remaining
- ✓ Large video systems projects may include general contracting with lower margin %, but add margin \$
- ✓ Customer delivery schedules & sports season impact quarterly results
- ✓ Q3 Includes 2 major holidays

10 YEAR HISTORY DILUTED EARNINGS PER SHARE (after adjustment for splits)

Fiscal Year	Q1	Q2	Q3	Q4
2012	+ 0.08	+ 0.09	+ 0.04	- 0.01
2013	+ 0.16	+ 0.27	+ 0.06	+ 0.04
2014	+ 0.13	+ 0.27	+ 0.07	+ 0.04
2015	+ 0.20	+ 0.18	+ 0.01	+ 0.08
2016	+ 0.09	+ 0.07	- 0.04	- 0.07
2017	+ 0.13	+ 0.20	- 0.12	+ 0.02
2018	+ 0.19	+ 0.16	- 0.14	- 0.09
2019	+ 0.10	+ 0.19	- 0.07	- 0.24
2020	+ 0.16	+ 0.16	- 0.28	- 0.02
2021	+ 0.17	+ 0.08	0.00	+ 0.01



FY2021 FOURTH QUARTER RESULTS

(\$ in thousands, except per share data)

	Three Months Ended		Percent Change
	1-May 2021	2-May 2020	
Orders	\$ 171,177	\$ 147,169	16.3%
Net sales	\$ 116,883	\$ 126,108	-7.3%
Gross profit	27,567	28,626	
Gross margin	23.6%	22.7%	
Operating income (loss)	1,136	(3,454)	132.9%
Operating margin	1.0%	-2.7%	
Net income (loss)	\$ 257	\$ (1,079)	123.8%
% of sales	0.2%	-0.9%	
Diluted earnings (loss) per share	\$ 0.01	\$ (0.02)	

FY2021 ANNUAL RESULTS

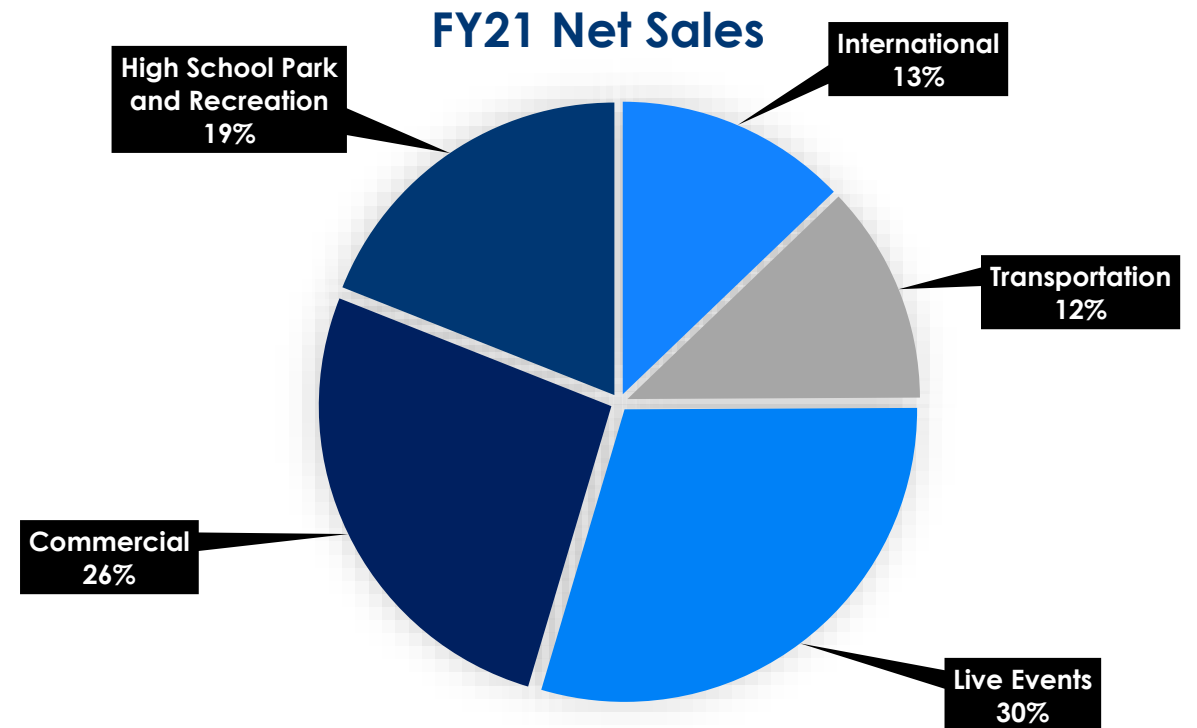
(\$ in thousands, except per share data)

	Twelve Months Ended		Percent Change
	1-May 2021	2-May 2020 (53 Weeks)	
Orders	\$ 515,884	\$ 620,778	-16.9%
Net sales	\$ 482,033	\$ 608,932	-20.8%
Gross profit	120,583	138,700	
Gross margin	25.0%	22.8%	
Operating income (loss)	17,108	(167)	10344.3%
Operating margin	3.5%	0.0%	
Net income	\$ 10,926	\$ 491	2125.3%
% of sales	2.3%	0.1%	
Diluted earnings per share	\$ 0.24	\$ 0.01	



Business Unit Recap

- ✓ Live Events, Commercial, Transportation, and High School Park and Recreation, include net sales in the United States and Canada
- ✓ International net sales include rest of world and are primarily for solutions for large sports venues, spectacles, third-party advertising, and transportation type solutions



LIVE EVENTS BUSINESS UNIT



Kansas City Chiefs

LIVE EVENTS

» Video display solutions for large sports venues and live entertainment facilities

- Professional sports
- College and university
- Arenas

» Competition

- Mitsubishi, Lighthouse, Panasonic, Prismview (Division of Samsung) and others
- Asian competition through U.S. integrators

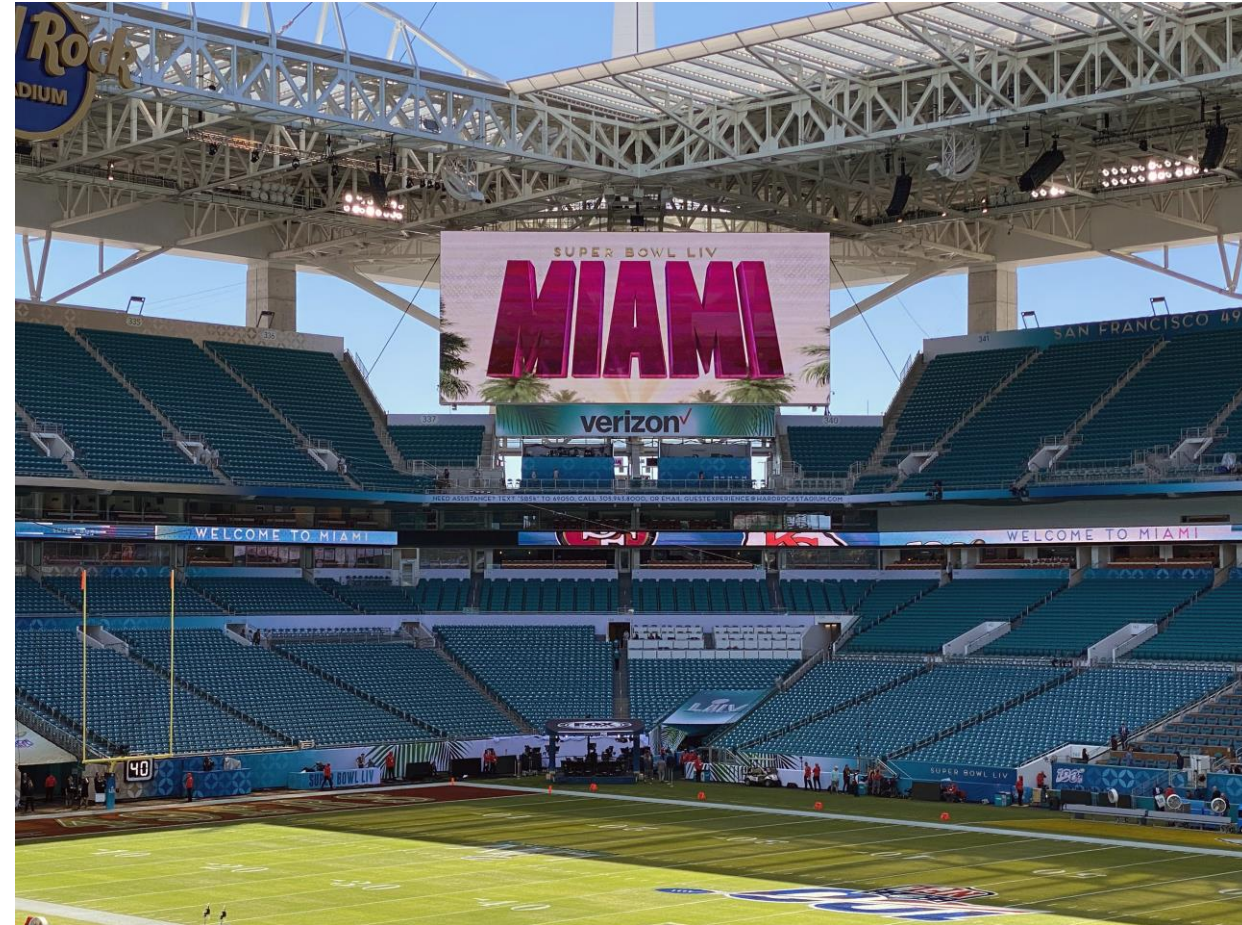


Ralph Englestad Arena

LIVE EVENTS

Demand Drivers

- » Facility increased spend to:
 - Enhance attendee event experience
 - Revenue source from advertising
 - Competitive nature to outperform other facilities
- » Lower product costs, driving expansion of marketplace
- » High definition product offering (HD)
- » Replacement cycle (systems can last from 8-12 years)



Hard Rock Stadium

HIGH SCHOOL PARK AND RECREATION (HSPR) BUSINESS UNIT



Madison High School, Madison, IN



HSPR

- » Video and scoring systems and message centers to
 - Elementary and high schools, junior colleges
 - Park and recreation departments
- » Primary funding is through local sponsors and advertisers



Nederland ISD, TX



Aberdeen Central High School, SD

HSPR

» Growth Drivers

- Larger more sophisticated displays in sports venues
- Revenue generation
- Communication medium
- New construction/replacement cycles
- Curriculum usage

» Competitors

- Formetco
- Scorevision
- Translux
- Nevco
- other smaller company manufacturers



Appleton North High School, WI

COMMERCIAL BUSINESS UNIT



Wilderness Resort
Baraboo, WI



Book Your Billboard
Sioux Falls, SD



Pendry West Hollywood Hotel
West Hollywood, CA

COMMERCIAL

- » Sales channel focus
 - Third party advertising/Out of Home Advertising (OOH)
 - On-premise advertising (retail)
 - Spectacular (custom video)
- » Primary offerings
 - Digital billboards
 - Message centers
 - Video display systems/display walls
 - Petroleum displays
 - Dynamic messaging systems



Marquee Media, Sacramento, CA



Kwik Trip, Glencoe, MN

COMMERCIAL

- » Long-term growth drivers
 - Market adoption, including National Accounts
 - Spectacular use to entertain/advertise in unique locations
 - Effective advertising medium (outdoor and indoor networks)
 - Replacement cycle (7-10 years)
 - Architectural lighting
- » Competitors
 - Message Centers: Optec, Watchfire, Vantage
 - Digital Billboards: Watchfire, Formetco, Optotech
 - Video Projects: Sansi, Prismview, ANC, Integrators using Asian Manufacturers
 - Video Walls: Sansi, Leyard, Absen, Unilumen



George Chevrolet Bellflower, CA



Barstool Sportsbook Ameristar Casino Blackhawk, CO

TRANSPORTATION BUSINESS UNIT



Project NEON, Nevada DOT



Ft. Lauderdale-Hollywood International Airport

TRANSPORTATION

- » Three niches
 - Intelligent transportation systems (ITS)
 - Airports
 - Mass Transit
- » Competitors
 - Skyline
 - Ledstar
 - Telegra
 - SES-America
 - Imago
 - others



Intelligent Transit Systems (ITS)

Penn Turnpike, Norristown Interchange, PA

TRANSPORTATION

- » Long-term growth drivers
 - Transportation management - increasing traffic demands on constrained infrastructure
 - Governmental funding and investment in infrastructure projects
 - Infographic communication
 - Advertising needs



Traffic Management Center – video wall



Minneapolis-St. Paul International Airport
Roadway and Parking Garage displays



INTERNATIONAL BUSINESS UNIT



Tottenham Hotspur Football & Athletic Co Ltd
London, UK

INTERNATIONAL

Main products

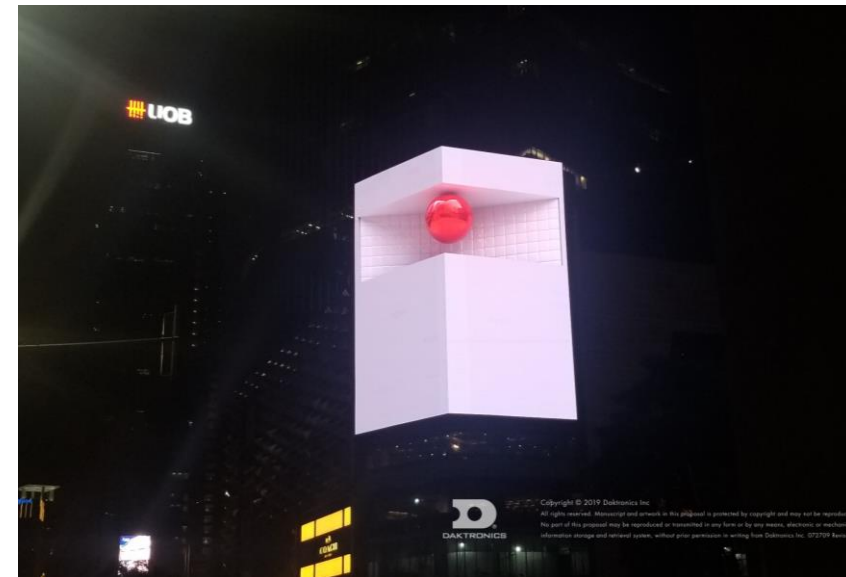
- » Commercial video systems
- » Sports video systems
- » Digital billboard (OOH)
- » Architectural lighting
- » Transportation systems

Infrastructure

- » World-wide sales & service offices
- » International Manufacturing:
 - China- architectural lighting and video displays
 - Ireland – transportation products



Schweizerische Bundesbahnen - Lucerne, Switzerland



PT Mediatronics - Jakarta, Indonesia



INTERNATIONAL

» Growth opportunities

- 3rd party advertising/Out of Home Advertising
- Live Events facilities/sports
- European/Middle East transportation systems
- Increased geographical coverage

» Competitors: Absen, Samsung, Aoto, Leyard, Unilumen, Mitsubishi, Lighthouse, Panasonic, Barco and other country-specific competitors



Emaar Cafe – Dubai

LOOKING AHEAD



Westfield Manukau City – Auckland, New Zealand



Tottenham Hotspur Football & Athletic Co Ltd – London, UK



Barclays Capital – New York, New York, USA



NEAR-TERM EXPECTATIONS

COVID-19 Pandemic Impact created business uncertainty

- ✓ Business areas impacted differently (Advertising, Events, Tax Funding)
- ✓ Timing, longevity and shape of economic recovery will vary

FY2022 focus recovery and growth after the pandemic

- ✓ Disciplined in managing operating expenses and strategic in our capacity additions for elevated demand
- ✓ Managing headwinds in material, labor, freight availability, and inflation
- ✓ Offering and developing comprehensive products and service, especially in lower narrow pixel pitch and advanced control systems
- ✓ Growing and fostering our direct and indirect sales channels
- ✓ Automating and improving processes and systems for customers and employees

ACHIEVING LONG-TERM PROFITABLE GROWTH

Over the long-term Continued Global Demand Growth:

- ✓ Continued global market adoption and expansion
- ✓ Natural Replacement cycle
- ✓ Industry leading solutions and continued investment in new technologies
- ✓ Worldwide economic conditions
- ✓ New technologies, applications, customer types



The Colosseum at Caesars
Palace Las Vegas, Nevada, USA

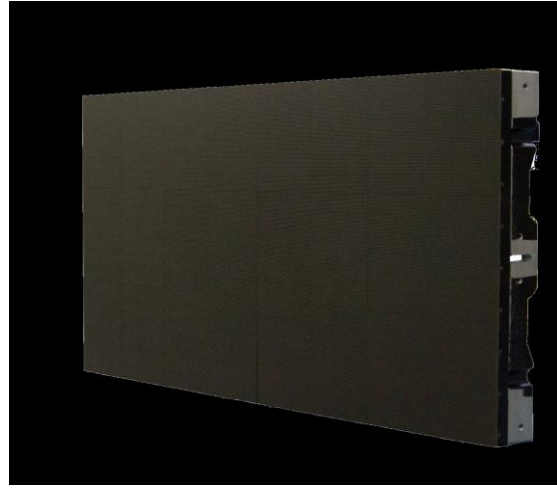


Fiserv Forum, Milwaukee Bucks –
Milwaukee, Wisconsin, USA

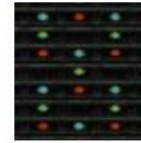
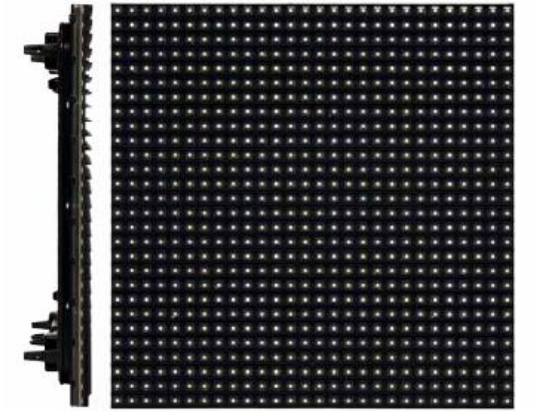
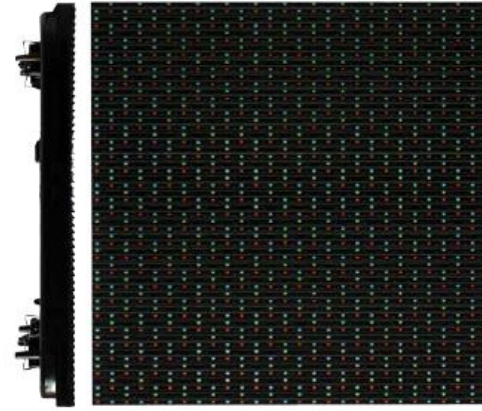


Beijing Indigo – Beijing, China

SOLUTION EXAMPLES



MODULE COMPARISON THROUGH-HOLE VS. SURFACE-MOUNT LEDs



THROUGH-HOLE LED MODULE



SURFACE-MOUNT LED MODULE



Total Event Control

An integrated display control studio allows for flexible, intuitive display control and event management.



Content Compositing

Powerful content compositing tools allow users to create broadcast-quality presentations.



Live Data Integration

Streaming data integration makes it possible to enhance graphics with live stats and information.



Media Players & Processors

Built-in media players and video processors allow for seamless delivery of a wide variety of digital media.



BLUE SERIES VIDEO DISPLAYS



DYNAMIC MESSAGE SIGNS



MESSAGE CENTERS



GOLD SERIES VIDEO DISPLAYS



CONTROL SYSTEMS



DIGITAL BILLBOARDS

DAKTRONICS TECHNOLOGY



QUESTIONS

10 YEAR HISTORY SUPPLEMENTAL INFORMATION

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Net sales	\$489,526	\$518,322	\$551,970	\$615,942	\$570,168	\$586,539	\$610,530	\$569,704	\$608,932	\$482,033
Gross profit	113,437	133,894	141,710	144,579	121,019	140,415	145,669	130,294	138,700	120,583
Operating expenses	103,162	103,294	105,153	113,294	118,524	124,994	133,209	135,022	138,867	103,475
Operating income (loss)	10,275	30,600	36,557	31,285	2,495	15,421	12,460	(4,728)	(167)	17,108
Net income (loss)	8,489	22,779	22,206	20,882	2,061	10,342	5,562	(958)	491	10,926
Gross profit percentage	23.2%	25.8%	25.7%	23.5%	21.2%	23.9%	23.9%	22.9%	22.8%	25.0%
Operating margin percentage	2.1%	5.9%	6.6%	5.1%	0.4%	2.6%	2.0%	(0.8%)	(0.0%)	3.5%
Weighted average diluted shares outstanding	42,304	42,621	43,762	44,443	44,456	44,303	44,873	44,926	45,316	45,202
Diluted earnings per share	0.20	0.53	0.51	0.47	0.05	0.23	0.12	(0.02)	0.01	0.24
Cash dividend per share	0.62	0.73	0.39	0.40	0.40	0.31	0.28	0.28	0.20	-
Working capital	\$119,833	\$125,456	\$140,532	\$149,075	\$123,714	\$127,130	\$132,825	\$119,601	\$106,037	\$118,383
Total assets	315,967	319,418	357,451	379,479	349,948	355,433	358,800	349,216	372,651	375,164
Shareholders' equity	190,805	188,246	203,119	212,039	201,067	198,286	197,616	187,663	176,980	193,554
Product Order Backlog	123,000	141,000	172,000	191,000	181,000	203,000	171,000	202,000	212,000	251,000
Product design and development expense	\$23,507	\$23,131	\$23,375	\$24,652	\$26,911	\$29,081	\$35,530	\$35,557	\$37,772	\$26,846
Capital expenditures	16,524	9,674	13,519	21,837	17,056	8,502	18,127	17,268	18,091	7,891
Depreciation and amortization expense	17,518	15,607	14,501	15,136	16,943	19,392	17,784	18,635	17,718	17,077
Cash flow from operations	20,038	50,749	36,199	53,513	13,283	39,407	30,361	29,546	10,808	66,212
Regular dividend per share	0.22	0.23	0.39	0.40	0.40	0.27	0.28	0.28	0.20	-
Special dividend per share	0.40	0.50	-	-	-	0.04	-	-	-	-
Employees as of year-end:										
Full-time	2,300	2,210	2,280	2,420	2,470	2,405	2,405	2,412	2,395	1,981
Part-time and students	520	410	390	330	315	304	308	310	276	136
Stock price during fiscal year:										
High	\$ 11.81	\$ 12.40	\$ 15.80	\$ 14.47	\$ 12.24	\$ 11.00	\$ 10.76	\$ 10.05	\$ 7.91	\$ 7.22
Low	7.68	6.39	9.63	10.03	6.90	6.00	8.55	7.21	4.16	3.79
Stock price at fiscal year-end	8.46	9.57	13.06	10.75	8.70	9.46	9.01	7.30	4.45	6.17
EBITDA	27,800	46,200	51,000	46,400	19,400	34,800	30,200	13,900	17,551	33,500

