

---

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 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): September 14, 2021**

---

**ASTRONOVA, INC.**  
(Exact name of registrant as specified in its charter)

---

**Rhode Island**  
(State or other jurisdiction  
of incorporation)

**0-13200**  
(Commission  
File Number)

**05-0318215**  
(I.R.S. Employer  
Identification No.)

**600 East Greenwich Avenue**  
**West Warwick, RI 02893**  
(Address of principal executive offices) (Zip Code)

**(401) 828-4000**  
**Registrant's telephone number, including area code**

**Not applicable**  
(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:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on which Registered
Common Stock, \$0.05 Par Value	ALOT	NASDAQ Global Market

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

On September 14, 2021, we issued a press release reporting the financial results for our fiscal second quarter ended July 31, 2021. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information contained in Item 2.02 of this report and Exhibit 99.1 attached hereto 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, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statement and Exhibits.**

(d) Exhibits

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	<a href="#">Press Release dated September 14, 2021</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

---

**SIGNATURE**

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.

**ASTRONOVA, INC.**

Dated: September 14, 2021

By: /s/ David S. Smith

David S. Smith

Vice President, Chief Financial Officer and Treasurer

**Contact:**

Scott Solomon  
Senior Vice President  
Sharon Merrill Associates  
(617) 542-5300  
[ALOT@investorrelations.com](mailto:ALOT@investorrelations.com)

**AstroNova Reports Strong Financial Results for the  
Second Quarter of Fiscal 2022**

*Commercial Air Travel's Continued Recovery and the Product Identification Segment's Solid Performance Drive Sequential and Year-Over-Year Growth*

**Second-Quarter Fiscal 2022 Summary**

- Bookings of \$30.6 million, up 18% year-over-year
- Revenue of \$29.8 million, up 8% year-over-year
- Backlog of \$24.3 million
- GAAP operating income of \$3.5 million
- Non-GAAP operating income of \$1.3 million
- GAAP net income of \$7.0 million, or \$0.96 per diluted share, including \$0.83 per diluted share in CARES Act benefits
- Non-GAAP net income of \$978,000, or \$0.13 per diluted share, compared with break-even results in the prior year's second quarter
- Adjusted EBITDA of \$9.2 million, or 30.8% of revenue
- Excluding CARES Act benefits, Adjusted EBITDA of \$2.6 million or 8.7% of revenue
- Company anticipates sequential and year-over-year top-line growth in the second half of fiscal 2022

**West Warwick, R.I. – September 14, 2021** – AstroNova, Inc. (NASDAQ: ALOT), a global leader in data visualization technologies, today announced financial results for the fiscal 2022 second quarter ended July 31, 2021.

**CEO Commentary**

“We reported year-over-year and sequential revenue growth in the second quarter in both the Test & Measurement and Product Identification segments, as we capitalized on an improved demand picture across the business,” said Gregory A. Woods, President and Chief Executive Officer of AstroNova. “In the Test & Measurement segment, revenue from hardware, supplies, and parts and repairs all increased as air passenger traffic continued to rebound. We also saw solid contributions across the Product Identification product line, with another strong quarter from the T3-OPX wide-format durable direct-to-package printing system. We performed particularly well given the ongoing global supply chain constraints and continuing COVID-19 headwinds.”

---

## **Business Outlook**

“We expect to report year-over-year and sequential top-line growth for the second half of fiscal 2022,” continued Woods. “The aerospace market is recovering a bit more quickly than we had anticipated, and we expect continued improved demand in the Product Identification segment. At the same time, we recognize the uncertainty caused by supply chain constraints and the continuing pandemic. Looking further ahead, we believe that we are well positioned to capitalize on many growth opportunities across both our Test & Measurement and Product Identification segments when markets fully recover.”

## **CARES Act Benefits**

During the second quarter of this fiscal year, the principal and interest were forgiven on the Paycheck Protection Program (PPP) loan AstroNova received last year. In addition, the Company became eligible for an Employee Retention Credit (ERC) authorized under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. In total for the second quarter, these two items (the CARES Act benefits) benefited net income by \$6.0 million and earnings per diluted share by \$0.83.

## **Q2 FY 2022 Operating Segment Results**

**Product Identification** segment revenue in the second quarter of fiscal 2022 increased 8.6% to \$23.5 million, with gains in both hardware and supplies, versus \$21.6 million in the prior-year period. GAAP segment operating income was \$4.4 million, or 18.8% of revenue, compared with \$3.1 million, or 14.5% of revenue, in the prior year. On a non-GAAP basis, excluding the CARES Act benefits, segment operating income in the second quarter of fiscal 2022 was \$3.0 million, or 12.7% of revenue.

**Test & Measurement** segment revenue in the second quarter of fiscal 2022 was \$6.4 million, compared with \$6.0 million in the same period of fiscal 2021. The Test & Measurement segment recorded GAAP operating income of \$1.7 million, or 26.9% of revenue, compared with a segment operating loss of \$0.4 million, or negative 6.8% of revenue, in the comparable period of fiscal 2021. Non-GAAP segment operating income in the second quarter of fiscal 2022, excluding the CARES Act benefits, was \$908,000, or 14.3% of sales, helped by lower manufacturing costs and operating expenses versus the year-earlier period, as well as a change in amortization for aerospace-related intangibles that resulted in an additional \$587,000 in operating profit. This is the best result since the second half of fiscal 2020, when revenue was significantly higher.

---

## **Q2 FY 2022 Results Summary**

Revenue for the second quarter of fiscal 2022 totaled \$29.8 million, up 8% compared with \$27.7 million in the year-earlier period.

GAAP gross profit for the second quarter of fiscal 2022 was \$12.7 million, or 42.6% of revenue, compared with \$9.8 million, or 35.4% of revenue, in the same period of fiscal 2021. Non-GAAP gross profit in the second quarter of fiscal 2022, excluding the CARES Act benefits, was \$11.1 million, or 37.1% of revenue, up 170 basis points from the gross profit in the same period of the prior year. The increase compared with the same quarter last year reflects higher revenue and the impact of favorable product mix.

GAAP operating expenses for the second quarter of fiscal 2022 totaled \$9.3 million, down approximately 3.3% compared with \$9.6 million in the second quarter fiscal 2021. On a non-GAAP basis, excluding the CARES Act benefits, operating expenses for the second quarter of fiscal 2022 were \$9.8 million, primarily due to higher wages and benefits compared with the prior-year second quarter, when COVID-related furloughs and work-share programs were in effect.

Other income of \$4.3 million included a \$4.5 million gain, related to the forgiveness indebtedness income related to the PPP loan.

GAAP net income for the second quarter of fiscal 2022 was \$7.0 million, or \$0.96 per diluted share, compared with net income of \$3,000, or \$0.00 per diluted share, in the second quarter of fiscal 2021. On a non-GAAP basis, excluding the CARES Act benefits, net income for the second quarter of fiscal 2022 was \$978,000, or \$0.13 per diluted share.

Earnings before interest, taxes, depreciation and amortization (EBITDA) were \$8.7 million, compared with \$2.4 million in the second quarter of fiscal 2021. Second-quarter fiscal 2022 EBITDA, excluding the CARES Act benefits, was \$2.1 million, or 7.2% of revenue. Adjusted EBITDA was \$9.2 million, or 30.8% of revenue, and \$2.6 million, or 8.7% of revenue, excluding the effect of the CARES Act benefits. This compares with Adjusted EBITDA of \$3.0 million, or 10.7% of revenue, for the comparable period of fiscal 2021.

Non-GAAP net income, non-GAAP earnings per diluted share, non-GAAP gross profit, non-GAAP operating expenses, non-GAAP segment operating income, EBITDA, EBITDA excluding the effect of the CARES Act benefits, Adjusted EBITDA and Adjusted EBITDA excluding the CARES Act benefits are non-GAAP financial measures explained in greater detail below under "Use of Non-GAAP Financial Measures." Please refer to the financial reconciliation table included in this news release for a reconciliation of non-GAAP measures to the closest comparable GAAP measures for the fiscal second quarters ended July 31, 2021 and August 1, 2020.

Bookings for the second quarter of fiscal 2022 were \$30.6 million, compared with \$25.3 million in the second quarter of fiscal 2021.

Backlog at July 31, 2021 was \$24.4 million versus \$23.7 million on August 1, 2020.

---

## **Second-Quarter Fiscal 2022 Conference Call**

AstroNova will discuss its second-quarter fiscal 2022 financial results in an investor conference call at 9:00 a.m. ET today. To participate on the conference call, please dial (800) 437-2398 (U.S. and Canada) or (929) 477-0577 (International) approximately 10 minutes prior to the start time and enter confirmation code 1881865.

You can hear a replay of the conference call from 12:00 p.m. ET Tuesday, September 14, 2021 until 12:00 p.m. ET on Tuesday, September 21, 2021 by dialing (888) 203-1112 (U.S. and Canada) or (719) 457-0820 (International). The passcode is 1881865. A real-time and an archived audio webcast of the call will be available through the “Investors” section of the AstroNova website, <https://investors.astronovainc.com>.

### **Use of Non-GAAP Financial Measures**

In addition to financial measures prepared in accordance with generally accepted accounting principles (GAAP), this news release contains the non-GAAP financial measures: non-GAAP net income, non-GAAP net income per diluted share, non-GAAP gross profit, non-GAAP operating expenses, non-GAAP segment operating income, earnings before interest, taxes, depreciation and amortization (EBITDA), EBITDA excluding the CARES Act benefits, and Adjusted EBITDA and Adjusted EBITDA excluding the CARES Act benefits. AstroNova believes that the inclusion of these non-GAAP financial measures helps investors gain a meaningful understanding of changes in the Company’s core operating results, and also can help investors who wish to make comparisons between AstroNova and other companies on both a GAAP and a non-GAAP basis. AstroNova’s management uses these measures, in addition to GAAP financial measures, as the basis for measuring its core operating performance and comparing such performance to that of prior periods and to the performance of its competitors. These measures also are used by the Company’s management to assist with their financial and operating decision-making.

### **About AstroNova**

AstroNova, Inc. (NASDAQ: ALOT), a global leader in data visualization technologies since 1969, is focused on designing, manufacturing, distributing and servicing a broad range of products that acquire, store, analyze and present data in multiple formats. The Company’s Product Identification segment offers a complete line-up of label and direct-to-package printing hardware and supplies, allowing customers to mark, track and enhance their products’ appearance. Supported by AstroNova’s customer application experts and technology leadership in printing, material science and high-speed data processing, customers benefit from an optimized, “total solution” approach. The Test and Measurement segment includes the AstroNova Aerospace business unit. This segment designs and manufactures flight deck printers, networking hardware and related accessories serving the world’s aerospace and defense industries with proven advanced airborne technology solutions for the cockpit, the cabin and so much more. AstroNova is a member of the Russell Microcap® Index and the LD Micro Index (INDEXNYSEGIS: LDMICRO). Additional information is available by visiting [www.astronovainc.com](http://www.astronovainc.com).

---

**Forward-Looking Statements**

Information included in this news release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical fact, but rather reflect our current expectations concerning future events and results. These statements may include the use of the words “believes,” “expects,” “intends,” “plans,” “anticipates,” “likely,” “continues,” “may,” “will,” and similar expressions to identify forward-looking statements. Such forward-looking statements, including those concerning the Company’s anticipated performance, involve risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. These risks, uncertainties and factors include, but are not limited to, those factors set forth in the Company’s Annual Report on Form 10-K for the fiscal year ended January 31, 2021 and subsequent filings AstroNova makes with the Securities and Exchange Commission. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The reader is cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this news release.



**ASTRONOVA, INC.**  
**Condensed Consolidated Statements of Income**  
**In Thousands Except for Per Share Data**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	July 31, 2021	August 1, 2020	July 31, 2021	August 1, 2020
Revenue	\$ 29,845	\$ 27,658	\$ 58,923	\$ 58,578
Cost of Revenue	17,129	17,871	35,320	37,935
Gross Profit	12,716	9,787	23,603	20,643
<i>Total Gross Profit Margin</i>	42.6%	35.4%	40.1%	35.2%
Operating Expenses:				
Selling & Marketing	5,061	5,555	11,154	11,481
Research & Development	1,539	1,493	3,255	3,433
General & Administrative	2,664	2,535	5,008	4,861
Total Operating Expenses	9,264	9,583	19,417	19,775
Operating Income	3,452	204	4,186	868
<i>Total Operating Margin</i>	11.6%	0.7%	7.1%	1.5%
Other Income (Expense), net:				
Extinguishment of Debt - PPP Loan	4,466	—	4,466	—
Interest Expense	(171)	(259)	(392)	(490)
Gain (Loss) on Foreign Currency Transactions	50	553	(114)	399
Other, net	(79)	34	(63)	68
	4,266	328	3,897	(23)
Income Before Taxes	7,718	532	8,083	845
Income Tax (Benefit) Provision	699	529	471	411
Net Income	\$ 7,019	\$ 3	\$ 7,612	\$ 434
Net Income per Common Share - Basic	\$ 0.97	\$ 0.00	\$ 1.06	\$ 0.06
Net Income per Common Share - Diluted	\$ 0.96	\$ 0.00	\$ 1.04	\$ 0.06
Weighted Average Number of Common Shares - Basic	7,209	7,105	7,177	7,089
Weighted Average Number of Common Shares - Diluted	7,329	7,123	7,297	7,114

**ASTRONOVA, INC.**  
**Balance Sheet**  
**In Thousands**  
**(Unaudited)**

	July 31, 2021	January 31, 2021
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 11,389	\$ 11,439
Accounts Receivable, net	15,603	17,415
Inventories, net	29,090	30,060
Prepaid Expenses and Other Current Assets	5,317	1,807
Total Current Assets	<u>61,399</u>	<u>60,721</u>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Less Accumulated Depreciation	(39,656)	(38,828)
Property, Plant and Equipment, net	<u>12,307</u>	<u>12,011</u>
<b>OTHER ASSETS</b>		
Intangible Assets, net	20,074	21,502
Goodwill	12,623	12,806
Deferred Tax Assets	5,942	5,941
Right of Use Asset	1,209	1,389
Other Assets	1,680	1,103
<b>TOTAL ASSETS</b>	<b><u>\$ 115,234</u></b>	<b><u>\$ 115,473</u></b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 6,131	\$ 5,734
Accrued Compensation	3,917	2,852
Other Liabilities and Accrued Expenses	3,666	3,939
Current Portion of Long-Term Debt	875	5,326
Current Portion of Royalty Obligation	2,000	2,000
Current Liability – Excess Royalty Payment Due	24	177
Deferred Revenue	324	285
Income Taxes Payable	—	655
Total Current Liabilities	<u>16,937</u>	<u>20,968</u>
<b>NON-CURRENT LIABILITIES</b>		
Long-Term Debt, net of current portion	8,641	7,109
Royalty Obligation, net of current portion	5,261	6,161
Long-Term Debt - PPP Loan	—	4,422
Lease Liability, net of current portion	907	1,065
Other Long-Term Liabilities	557	681
Deferred Tax Liabilities	354	384
<b>TOTAL LIABILITIES</b>	<b><u>32,657</u></b>	<b><u>40,790</u></b>
<b>SHAREHOLDERS' EQUITY</b>		
Common Stock	526	521
Additional Paid-in Capital	59,078	58,049
Retained Earnings	57,697	50,085
Treasury Stock	(33,942)	(33,588)
Accumulated Other Comprehensive Loss, net of tax	(782)	(384)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b><u>82,577</u></b>	<b><u>74,683</u></b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b><u>\$ 115,234</u></b>	<b><u>\$ 115,473</u></b>

**ASTRONOVA, INC.**  
**Revenue and Segment Operating Profit**  
**In Thousands**  
**(Unaudited)**

	<u>Revenue</u>		<u>Segment Operating Profit (Loss)</u>		<u>Revenue</u>		<u>Segment Operating Profit (Loss)</u>	
	Three Months Ended		Three Months Ended		Six Months Ended		Six Months Ended	
	<u>July 31, 2021</u>	<u>August 1, 2020</u>	<u>July 31, 2021</u>	<u>August 1, 2020</u>	<u>July 31, 2021</u>	<u>August 1, 2020</u>	<u>July 31, 2021</u>	<u>August 1, 2020</u>
Product								
Identification	\$ 23,492	\$ 21,629	\$ 4,406	\$ 3,146	\$ 46,590	\$ 44,009	\$ 7,134	\$ 6,292
Test & Measurement	6,353	6,029	1,710	(407)	12,333	14,569	2,060	(563)
<b>Total</b>	<b>\$ 29,845</b>	<b>\$ 27,658</b>	<b>6,116</b>	<b>2,739</b>	<b>\$ 58,923</b>	<b>\$ 58,578</b>	<b>9,194</b>	<b>5,729</b>
Corporate Expenses			2,664	2,535			5,008	4,861
Operating Income			3,452	204			4,186	868
Other Income								
(Expense), net			4,266	328			3,897	(23)
Income Before								
Income Taxes			7,718	532			8,083	845
Income Tax								
Provision			699	529			471	411
<b>Net Income</b>			<b>\$ 7,019</b>	<b>\$ 3</b>			<b>\$ 7,612</b>	<b>\$ 434</b>

**ASTRONOVA, INC.**  
**Reconciliation of GAAP to Non-GAAP Gross Profit**  
**Amounts in Thousands**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	<u>July 31, 2021</u>	<u>August 1, 2020</u>	<u>July 31, 2021</u>	<u>August 1, 2020</u>
Gross Profit – GAAP	\$ 12,716	\$ 9,787	\$ 23,603	\$ 20,643
Employee Retention Credit	\$ (1,641)	\$ —	\$ (1,641)	\$ —
Gross Profit – Non-GAAP	<u>\$ 11,075</u>	<u>\$ 9,787</u>	<u>\$ 21,962</u>	<u>\$ 20,643</u>

**ASTRONOVA, INC.**  
**Reconciliation of GAAP to Non-GAAP Operating Expenses**  
**Amounts in Thousands**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	<u>July 31, 2021</u>	<u>August 1, 2020</u>	<u>July 31, 2021</u>	<u>August 1, 2020</u>
Operating Expenses – GAAP	\$ 9,264	\$ 9,583	\$ 19,417	\$ 19,775
Employee Retention Credit	\$ 489	\$ —	\$ 489	\$ —
Operating Expenses – Non-GAAP	<u>\$ 9,753</u>	<u>\$ 9,583</u>	<u>\$ 19,906</u>	<u>\$ 19,775</u>

**ASTRONOVA, INC.**  
**Reconciliation of GAAP to Non-GAAP Operating Income**  
**Amounts in Thousands**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	<u>July 31, 2021</u>	<u>August 1, 2020</u>	<u>July 31, 2021</u>	<u>August 1, 2020</u>
Operating Income – GAAP	\$ 3,452	\$ 204	\$ 4,186	\$ 868
Employee Retention Credit	\$ (2,130)	\$ —	\$ (2,130)	\$ —
Operating Income – Non-GAAP	<u>\$ 1,322</u>	<u>\$ 204</u>	<u>\$ 2,056</u>	<u>\$ 868</u>

**ASTRONOVA, INC.**  
**Reconciliation of GAAP to Non-GAAP Net Income**  
**Amounts in Thousands**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	<u>July 31, 2021</u>	<u>August 1, 2020</u>	<u>July 31, 2021</u>	<u>August 1, 2020</u>
Net Income – GAAP	\$ 7,019	\$ 3	\$ 7,612	\$ 434
Employee Retention Credit	\$ (1,615)	\$ —	\$ (1,615)	\$ —
PPP Loan Forgiveness	\$ (4,426)	\$ —	\$ (4,426)	\$ —
Net Income – Non-GAAP	<u>\$ 978</u>	<u>\$ 3</u>	<u>\$ 1,571</u>	<u>\$ 434</u>

**ASTRONOVA, INC.**  
**Reconciliation of GAAP to Non-GAAP Diluted Earnings Per Share**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	<u>July 31, 2021</u>	<u>August 1, 2020</u>	<u>July 31, 2021</u>	<u>August 1, 2020</u>
Diluted Earnings Per Share - GAAP	\$ 0.96	\$ —	\$ 1.04	\$ 0.06
Employee Retention Credit	\$ (0.22)	\$ —	\$ (0.22)	\$ —
PPP Loan Forgiveness	\$ (0.60)	\$ —	\$ (0.60)	\$ —
Diluted Earnings Per Share - Non-GAAP	<u>\$ 0.13</u>	<u>\$ —</u>	<u>\$ 0.22</u>	<u>\$ 0.06</u>



**ASTRONOVA, INC.**  
**Reconciliation of Net Income to EBITDA and EBITDA Excluding the CARES Act Benefits**  
**Amounts in Thousands**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	<u>July 31, 2021</u>	<u>August 1, 2020</u>	<u>July 31, 2021</u>	<u>August 1, 2020</u>
Net Income – GAAP	\$ 7,019	\$ 3	\$ 7,612	\$ 434
Interest Expense	171	259	392	490
Income Tax Expense	699	529	471	411
Depreciation/Amortization	849	1,565	2,276	3,133
EBITDA	<u>\$ 8,738</u>	<u>\$ 2,356</u>	<u>\$ 10,751</u>	<u>\$ 4,468</u>
Net Income - Employee Retention Credit	(1,615)	—	(1,615)	—
Net Income - PPP Loan Forgiveness	(4,426)	—	(4,426)	—
Income Tax Expense - Employee Retention Credit	(515)	—	(515)	—
Income Tax Expense - PPP Loan Forgiveness	(40)	—	(40)	—
EBITDA Excluding the CARES Act Benefits	<u>\$ 2,142</u>	<u>\$ 2,356</u>	<u>\$ 4,155</u>	<u>\$ 4,468</u>

**ASTRONOVA, INC.**  
**Reconciliation of Net Income to Adjusted EBITDA and Adjusted EBITDA Excluding the CARES Act Benefits**  
**Amounts in Thousands**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	<u>July 31, 2021</u>	<u>August 1, 2020</u>	<u>July 31, 2021</u>	<u>August 1, 2020</u>
Net Income – GAAP	\$ 7,019	\$ 3	\$ 7,612	\$ 434
Interest Expense	171	259	392	490
Income Tax Expense	699	529	471	411
Depreciation/Amortization	849	1,565	2,276	3,133
Share-Based Compensation	469	601	947	1,096
Adjusted EBITDA	<u>\$ 9,207</u>	<u>\$ 2,957</u>	<u>\$ 11,698</u>	<u>\$ 5,564</u>
Net Income - Employee Retention Credit	(1,615)	—	(1,615)	—
Net Income - PPP Loan Forgiveness	(4,426)	—	(4,426)	—
Income Tax Expense - Employee Retention Credit	(515)	—	(515)	—
Income Tax Expense - PPP Loan Forgiveness	(40)	—	(40)	—
Adjusted EBITDA Excluding the CARES Act Benefits	<u>\$ 2,611</u>	<u>\$ 2,957</u>	<u>\$ 5,102</u>	<u>\$ 5,564</u>

**ASTRONOVA, INC.**  
**Reconciliation of GAAP Segment Operating Profit to Non-GAAP Segment Operating Profit**  
**Amounts in Thousands**  
**(Unaudited)**

	Three Months Ended						Six Months Ended					
	July 31, 2021			August 1, 2020			July 31, 2021			August 1, 2020		
	<u>Product Identification</u>	<u>Test &amp; Measurement</u>	<u>Total</u>	<u>Product Identification</u>	<u>Test &amp; Measurement</u>	<u>Total</u>	<u>Product Identification</u>	<u>Test &amp; Measurement</u>	<u>Total</u>	<u>Product Identification</u>	<u>Test &amp; Measurement</u>	<u>Total</u>
Segment												
Operating Profit - GAAP	\$ 4,406	\$ 1,710	\$ 6,116	\$ 3,146	\$ (407)	\$ 2,739	\$ 7,134	\$ 2,060	\$ 9,194	\$ 6,292	\$ (563)	\$ 5,729
Employee Retention Credit	\$ (1,430)	\$ (802)	\$ (2,232)	\$ —	\$ —	\$ —	\$ (1,430)	\$ (802)	\$ (2,232)	\$ —	\$ —	\$ —
Segment Operating Profit - Non-GAAP	\$ 2,976	\$ 908	\$ 3,884	\$ 3,146	\$ (407)	\$ 2,739	\$ 5,705	\$ 1,258	\$ 6,963	\$ 6,292	\$ (563)	\$ 5,729