



NASDAQ: LAKE

**Investor Presentation
July 2018**

Christopher J. Ryan, Chief Executive Officer



Protect Your People[™]

Safe Harbor Statement

With the exception of historical information, the statements set forth in this presentation include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risk and uncertainties. The company wishes to caution that a number of important factors could cause actual results to differ materially from those forward-looking statements. These and other factors could cause actual results to differ materially from those in any forward-looking statements which are discussed in this presentation. Please see Lakeland Industries' SEC filings on Forms 10-K and 10-Q for important information about the Company and related risks. The Company disclaims any obligation to update its forward-looking statements.

Key Statistics

Market Statistics

Share Price (as of 7/10/2018)	\$ 13.50
52-Week High / Low	\$17.18 / \$12.20
Average Daily Volume (3M)	47,000
Diluted Shares Outstanding ¹	8.0 million
Market Capitalization ¹	\$108.0 million
Debt (as of 4/30/2018)	\$1.6 million
Cash (as of 4/30/2018)	\$16.3 million
Enterprise Value	\$93.3 million

Recent Developments

Fiscal 2019 First Quarter Financial Results

- Net sales for 1Q19 of \$24.3M up 6.0% from \$23.0M in 1Q18
- Gross profit for 1Q19 of \$9.5M up 11.1% from \$8.6M in 1Q18
- Gross margin % of sales in 1Q19 was 39.0%, up from 37.3% in 1Q18
- Operating expenses of \$7.1M in 1Q19 increased 16% from \$6.1M in 1Q18 from investment in growth and profitability enhancements
- Op. income in 1Q19 of \$2.4M benefited from sales growth and margin improvement offset by higher op. exp. as compared to \$2.5M in 1Q18
- Net income increased to \$1.9M in 1Q19 from \$1.7M in 1Q18
- Cash at end of 1Q19 of \$16.3M from \$15.8M at 1/31/18
- Debt down by 4.3% to \$1.6M at end 1Q19 from \$1.7M at 1/31/18

Underwritten Public Offering of Common Stock

- Issued 725,000 shares of common stock at \$13.80 on 8/17/17
- Net proceeds of approximately \$8.95 million
- Use of proceeds: expand manufacturing; equipment; repay debt; and general corporate purposes
- Management/Insider ownership of 7.2% post-offering

Financials & Valuation

LTM Revenue ³	\$97.4 million
LTM Adjusted EBITDA ³	\$9.9 million
LTM Net Income ³	\$.6 million
LTM EPS ³	\$0.08
EV/LTM Revenue	1.0x
EV/LTM EBITDA	9.7x
P/E (LTM) ³	NM
NOL Carryforward ³	Approx. \$20 million
Book Value ³	\$83.4 million

One Year Stock Performance



Source: Etrade

¹ Treasury stock method

² Source: Bloomberg/Yahoo

³ As of 4/30/2018

Optimized Global Presence



- ★ Manufacturing Sites
- 🌳 Sales Presence



Decatur, AL Facility



Anqui (Weifang), China Facility

Manufacturing Sites

- Decatur, AL
- Jerez, Mexico
- Anqui (Weifang), China
- Buenos Aires, Argentina
- New Delhi, India
- Nahm Dinh, Vietnam

Sales Presence

- Beijing, China
- Chongqing, China
- Decatur, AL
- Europe (France, Germany, Netherlands, Poland, Spain, U.K.)
- Jerez, Mexico
- Melbourne, Australia
- Moscow, Russia
- New Delhi, India
- Ronkonkoma, NY (HQ)
- Shanghai, China
- South America (Argentina, Chile, Ecuador, Peru)
- Southeast Asia (Malaysia, Thailand, Vietnam)
- Toronto, Canada
- Ust-Kamenogorsk, Kazakhstan






Innovative Proprietary Products

LAKE develops proprietary textile and designs when it identifies a market need...

New Product Focus:	<ul style="list-style-type: none">• Proprietary high margin products for stable and recurring end markets (e.g. utilities, pharmaceuticals)
Patents:	<ul style="list-style-type: none">• 17 patents & 4 patents in application¹• 31 trademarks and 22 trademarks in application¹
Supply Chain:	<ul style="list-style-type: none">• LAKE maintains strong control of its supply chain including multi-sourcing raw materials and having cut/sew operations performed by employees instead of contractors
Certifications:	<ul style="list-style-type: none">• Products are certified under relevant standards and certificates domestically and abroad• Customers recognize certification as sign of quality
Manufacturing:	<ul style="list-style-type: none">• All LAKE manufacturing facilities are ISO 9001 or ISO 9002 certified
Testing:	<ul style="list-style-type: none">• Quality control lab in China• Chinese facility able to perform medical and industrial sterilizations• Installed new test lab in Alabama facility in 2015

¹ As of 1/31/2017.

Leading Protective Clothing Manufacturer

Product Offering: % of Sales¹	 Disposables 52%	 Chemical Suits 16%	 Wovens 17%	 Reflectives 10%	 Gloves 5%
Sales by Geography:	<ul style="list-style-type: none"> • Domestic: 53% of FY2018 net sales¹ • International: 47% of FY2018 net sales¹ 				
Industries Served:	<ul style="list-style-type: none"> • Chemical/petrochemical • Basic industries: auto, steel, construction, electric & gas utilities • Healthcare, food chain & high tech • Government, fire department, public safety and public agencies including DoD, CDC & DEA 				
Employees:	<ul style="list-style-type: none"> • 976 international employees • 96 domestic employees 				
Founded:	<ul style="list-style-type: none"> • 1982 				

¹ As of 1/31/2017.

LAKE Product Examples



LAKE Cleanroom Suit



LAKE Homeland Security Suit





LAKE Disposable Suit



LAKE Chemical Protection Suit

Uniquely Positioned to Respond to Global Crises

Crisis	Ebola	Bird Flu
FY16 ¹ LAKE Revenue Impact	\$4.6 million	\$4.1 million
LAKE Role	Supplied suits to the United Kingdom Government	Supplied protective clothing to DiVal Safety Equipment
Situation Timeline	<ul style="list-style-type: none"> • August 8, 2014: Ebola declared an “international health emergency”; death toll reaches 1,000 • September 11, 2014: LAKE announced increase in manufacturing capacity to meet demand for safety products 	<ul style="list-style-type: none"> • April 11, 2015: Avian Flu confirmed in a commercial chicken operation in WI • April 20 – May 1, 2015: WI, MN, IA declared state of emergency • May 5, 2015: US authorities approved \$330 million in emergency funds to fight spread
LAKE Product Use	 <p data-bbox="649 1210 1025 1239">LAKE Ebola Protection Suit</p>	 <p data-bbox="1348 1210 1760 1239">LAKE Bird Flu Protection Suit</p>

¹ Company fiscal year ends January 31.

Transition to a Stronger Business Model

Business Area	FY2006 ¹	Today
Products	Tied to DuPont / commodity / lower margin	Proprietary / value-added / higher margin
COGS / Raw Materials	Tied to DuPont	Multi-sourced, lower priced fabrics than DuPont
Gross Margin	24.2% ¹	39.0% ²
Sales Channels	Distributors	Distributors and Key End Users
Customer Breadth	Limited	Diversified
Number of Products	<100	>800
Sales Presence	3 countries	21 countries
Geographic Reach	North America	Global
Manufacturing Locations	U.S., China, Mexico	U.S., China, Mexico, Argentina, India, Vietnam

¹ As of 1/31/2006.

² As of 4/30/2018.

Blue Chip Customers

Distributors



End Users

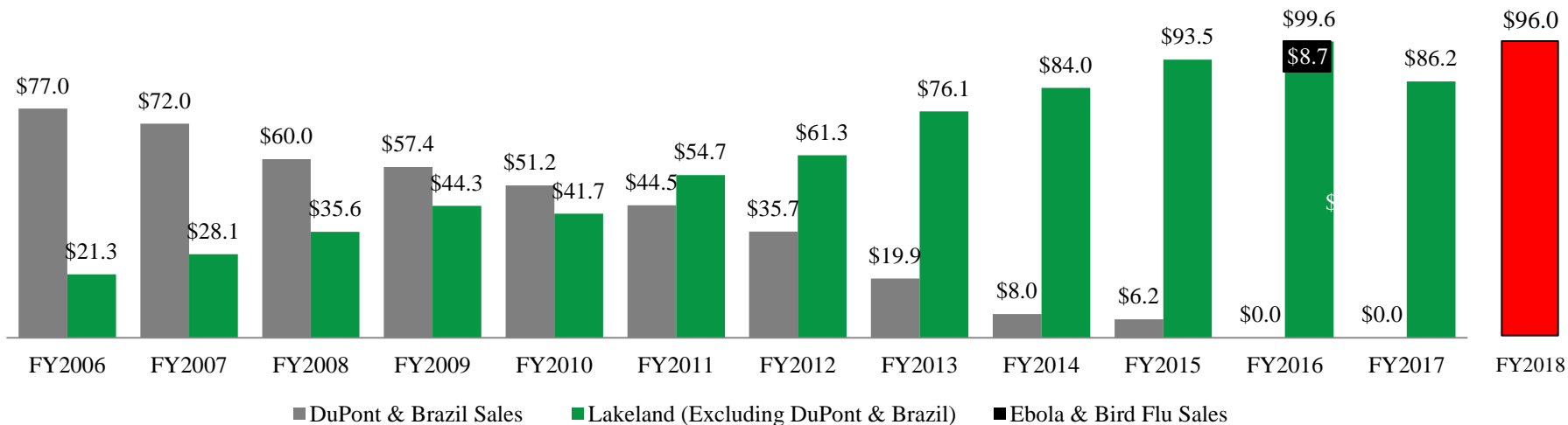


Strong Growth Masked By Wind-Down of DuPont & Brazil

Sales by Segment

(\$ in millions)

FY2006 – FY2017 Lakeland (Excluding DuPont & Brazil) CAGR: 13.5%



LAKE grew larger despite winding down \$77 million DuPont and \$17 million Brazil businesses

Company fiscal year ends January 31.

FY2016 includes \$8.7 million in one time Ebola and Bird Flu related revenue.

Favorable Industry Dynamics

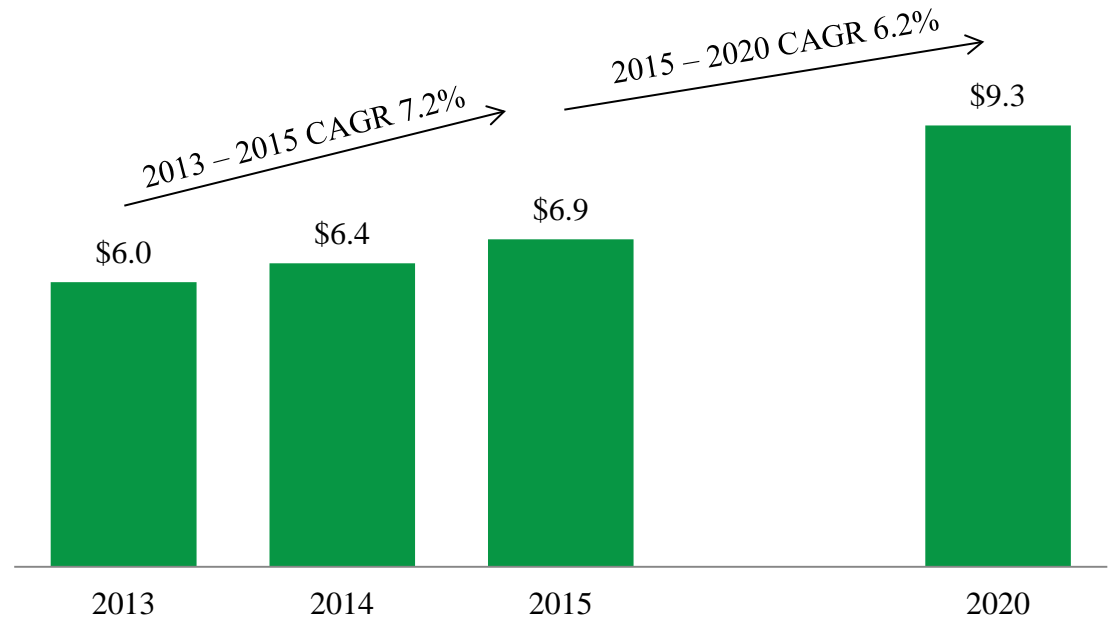
Lakeland operates in a large and growing industry...

Industry Tailwinds

- ✓ Global Economic Growth
- ✓ Rebounding Global Oil Prices
- ✓ Strong Increase in Manufacturing
- ✓ Robust Demand from Developing Industries
- ✓ Increased Global Focus on Safety
- ✓ Weaker US Dollar

Protective Clothing Market¹

(\$ in billions)



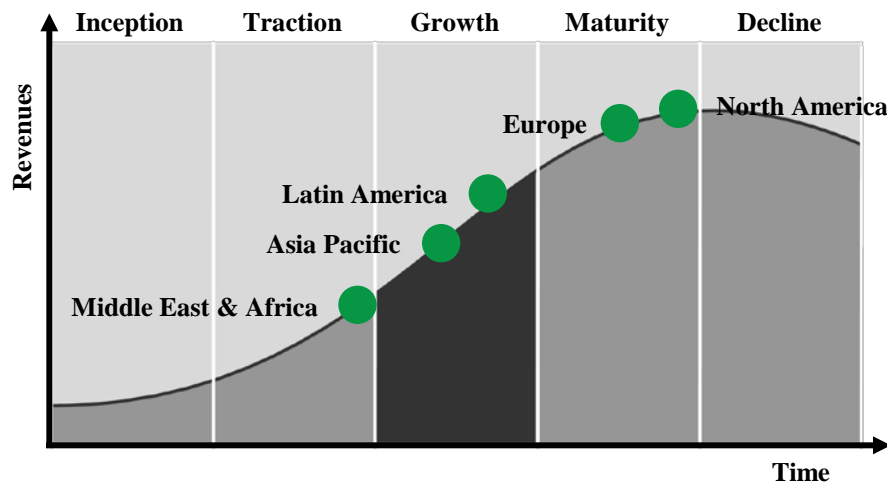
¹ Source: Markets and Markets: *Protective Clothing Market – Global Forecast to 2020*.

Positioned for Further International Growth

Leveraging its worldwide operating capabilities, LAKE plans deeper penetration into existing markets and selective expansion into new geographies...

- Led by multinational corporations, developing countries are increasingly adopting OSHA-like standards
- LAKE is able to offer its U.S. product range in international markets for little incremental costs
- The Company recently entered South Korea, Indonesia, Malaysia and Vietnam and is hiring aggressively in these new markets

Significant Opportunity in Developing Markets¹



¹ Source: Markets and Markets: *Protective Clothing Market – Global Forecast to 2020*.

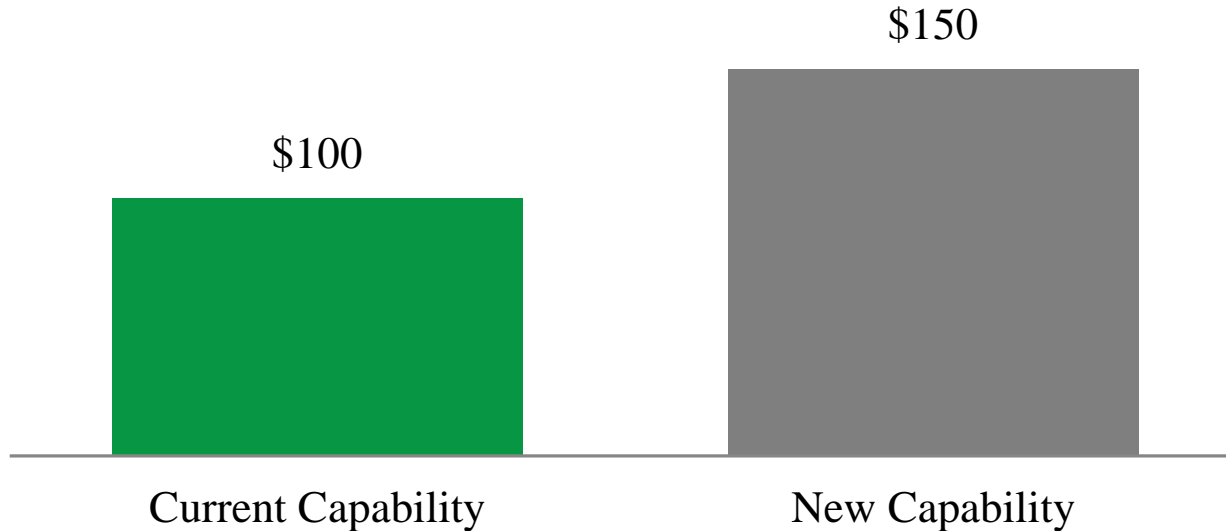
² As of 4/30/2017.

Sales Presence by Geography

Region	Sales People ²
U.S.	15
Asia Pacific	25
Latin America	6
EEC	7
Mexico	4
Canada	4
Russia / Kazakhstan	2
India	3

Increasing Manufacturing Capacity

- ✓ August 2017 capital raise provides for investment in new manufacturing facilities
- ✓ Targeting lower cost locations which are closer to customers, including India and Vietnam
- ✓ Accretive to gross margins

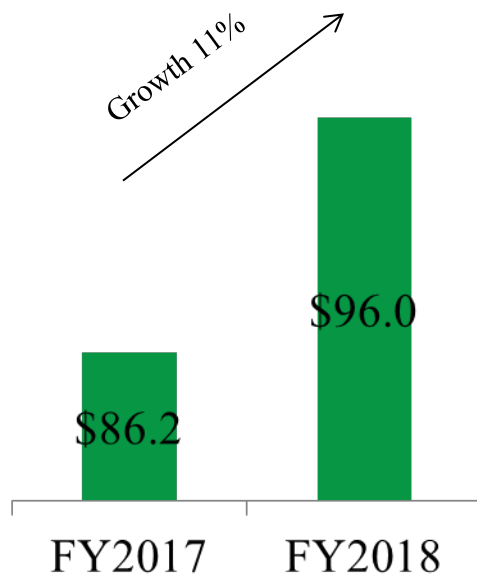


Strong Fiscal Year Results

LAKE management successfully implemented key strategic initiatives in Q1 FY2018¹ that resulted in strong sales growth and improved cost controls...

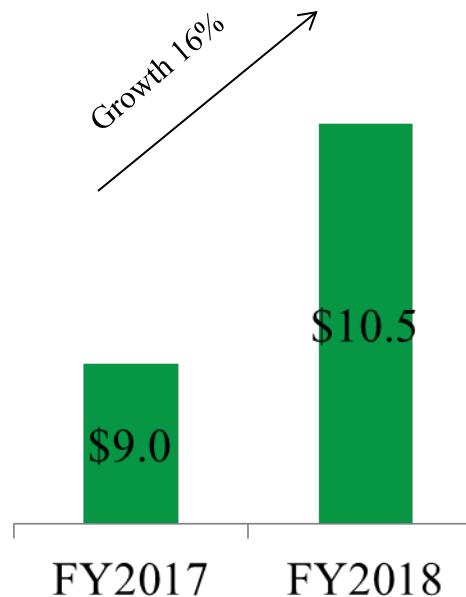
Revenue

(\$ in millions)



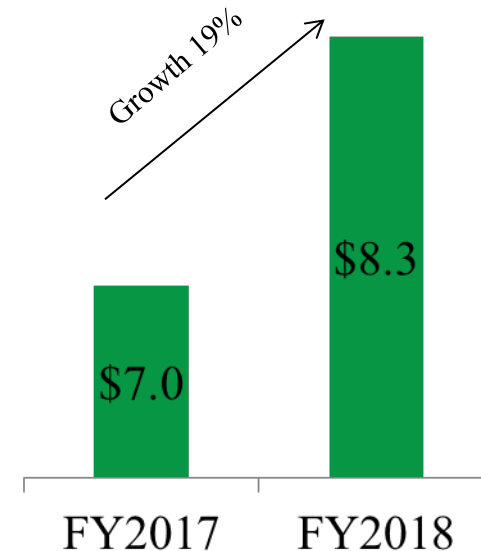
Adjusted EBITDA

(\$ in millions)



Adjusted Free Cash Flow























































(\$ in millions)



Note: Company fiscal year ends January 31

Adjusted free cash flow is Adjusted EBITDA less cash paid for foreign taxes and capital expenditures

Significant M&A Activity

 MSA <i>The Safety Company</i>	 June 2017 EV / Revenue: 2.0x; EV / EBITDA: 9.0x	 GLOBE ATHLETIC GEAR FOR FIREFIGHTERS!	 MSA <i>The Safety Company</i>	 Oct. 2015 EV / Revenue: 3.4x; EV / EBITDA: 19.5x	 LATCHWAYS FALL PROTECTION
 impact <i>The force that keeps you moving</i>	 Sept. 2016	 MALT INDUSTRIES, INC.	 WÜRTH GROUP	 July 2015	 NORTHERN <i>Safety Co. Inc.</i>
 THE COMPASS GROUP	 July 2016 EV / Revenue: 1.4x; EV / EBITDA: 10.5x	 5.11 TACTICAL	 3M	 June 2015 EV / Revenue: 5.8x; EV / EBITDA: 14.0x	 capital SAFETY
 SureWerx	 June 2016	 KP INDUSTRIES	 KKR / capital	 May 2015	 PYTHON SAFETY
 NATIONAL SAFETY APPAREL	 June 2016	 DRIFIRE	 RADIAN	 Apr. 2015	 VisionAid
 S.P. RICHARDS CO. <i>A Tradition of Trust</i>	 May 2016	 SAFETY ZONE	 Ansell	 Mar. 2015 EV / Revenue: 2.2x; EV / EBITDA: 9.0x	 MICROGARD High Performance Protection in Comfort
 DUNLOP DUNLOP INDUSTRIAL PRODUCTS	 May 2016	 ONGUARD INDUSTRIES	 eurosafesolutions	 May 2014	 INTERSAFE Work safe. Feel safe.
 SAFARILAND	 Feb. 2016	 UNITED UNIFORM YOUR TACTICAL GEAR STORE	 Ansell	 Nov 2013 EV / Revenue: 2.1x; EV / EBITDA: 9.7x	 BARRIERSAFE SOLUTIONS INTERNATIONAL
 Mallory Safety & Supply	 Nov. 2015	 SANDERSON	 ORR Safety <i>Worker Safety Means Business</i>	 July 2013	 MILLER SAFETY FIRST AID PRODUCTS

Source: SEC public filings, company press releases and other publicly available information.

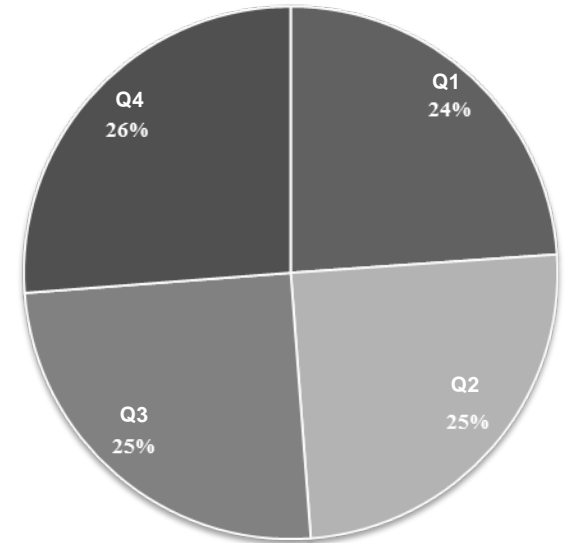
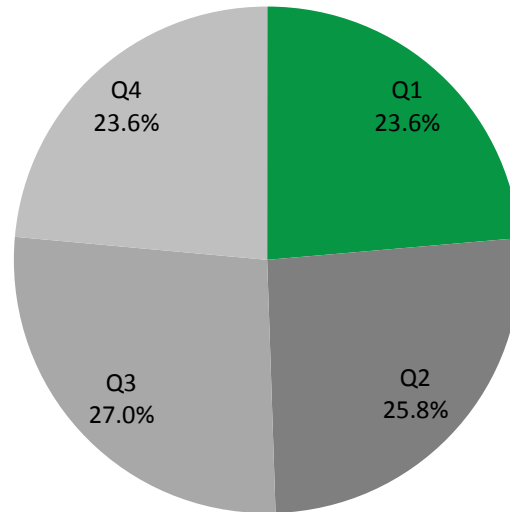
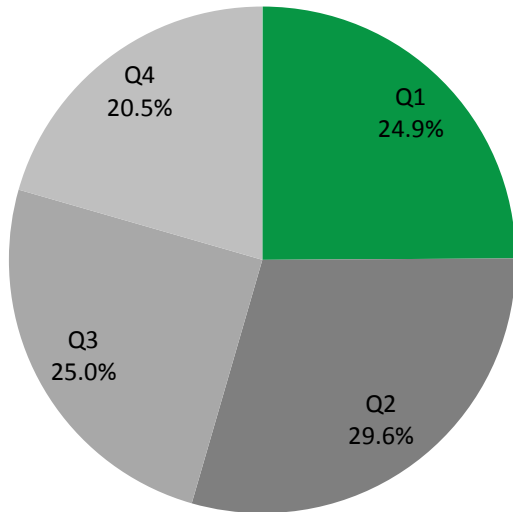
Low Seasonality in Business

Sales By Quarter

FY2016

FY2017

FY2018



Based on external sales from continuing operations, excluding intersegment sales.
Company fiscal year ends January 31.

Seasoned Management Team

Management Bio

Years at LAKE



Christopher J. Ryan – President & CEO

Christopher J. Ryan has served as our Chief Executive Officer and President since November 2003, Secretary since April 1991, and a director since May 1986. Mr. Ryan was our Executive Vice President - Finance from May 1986 until becoming our President in November 2003. Mr. Ryan also worked as a Corporate Finance Partner at Furman Selz Mager Dietz & Birney, Senior Vice President-Corporate Finance at Laidlaw Adams & Peck, Inc., Managing-Corporate Finance Director of Brean Murray Foster Securities, Inc. and Senior Vice President-Corporate Finance of Rodman & Renshaw, respectively, from 1983 to 1991. Mr. Ryan has served as a Director of Lessing, Inc., a privately held restaurant chain based in New York, from 1995 to 2008. Mr. Ryan received his BA from Stanford University, his MBA from Columbia Business School and his J.D. from Vanderbilt Law School.

31 years¹



Teri W. Hunt – Chief Financial Officer

Teri W. Hunt has served as our Chief Financial Officer since November 2015 after serving as the Acting Chief Financial Officer of the Company since July 2015. Ms. Hunt has also served as the Company's Vice President of Finance since November 2010, before which time she served as Corporate Controller from November 2007 to November 2010. Prior to joining Lakeland Ms. Hunt served in multiple operational and financial management positions including Corporate Controller for a privately held yarn manufacturer, TNS Mills.

12 years



Charles D. Roberson – Senior Vice President International Sales

Charles D. Roberson has served as our Senior Vice President International Sales since March 2009. Mr. Roberson joined our Company in 2004 as Technical Marketing Manager and later served as International Sales Manager. Prior to joining our Company, Mr. Roberson was employed by Precision Fabrics Group, Inc. as a Market Manager from 1995 to 2001 and as a Nonwovens Manufacturing Manager from 1991 to 1995. He began his career as a manufacturing manager for Burlington Industries, Inc. in its Menswear Division from 1985 to 1991.

13 years



Daniel L. Edwards – Senior Vice President Sales for North America

Daniel L. Edwards has been our Senior Vice President Sales for North America since March 2017 after most recently serving as our Vice President of USA Sales since March 2013. Mr. Edwards has been employed by us in various capacities since joining Lakeland in 2005, including as our National Accounts Manager and Eastern Regional Sales Manager. Prior to joining our Company, Mr. Edwards was a Senior Market Manager at Precision Fabrics Group, Inc., where he began his career in 1990 and held various roles at that company in manufacturing, technical and quality management.

12 years

¹ Includes years serving on the LAKE board.

Investment Highlights



- 1 High Growth from Proprietary/Value Added Products**
Strong Growth Masked by Wind Down of DuPont & Brazil Businesses
- 2 Flexible Worldwide Operating Capabilities**
Highly Leveragable Cost Structure including Global Manufacturing Sites
- 3 Leader in Product Quality and Garment Innovation**
Certifications and Patents Demonstrate Product Quality
- 4 Blue Chip Customer Base**
Large Customers with No Significant Customer Concentration
- 5 Diversified Product Offerings**
Product Suite Covers Protective Apparel Industry
- 6 Favorable Market and Industry Dynamics**
Global Industry Poised for Further Growth
- 7 Strong Management Team and High Insider Ownership**
Deep Industry Knowledge and Experience



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Financial Review

Income Statement & EBITDA Reconciliation

(\$ in thousands)

	Three months ended April 30,			Three Months Ended April 30,	
	2018	2017		2018	2017
Net sales	\$24,344	\$22,961	Net Income to EBITDA		
Year over year growth	6.0%	-----	Net Income	\$1,867	\$1,711
Gross profit	9,504	8,558	Interest	31	76
Gross profit %	39.0%	37.3%	Taxes	517	688
Operating expenses	7,088	6,085	Depreciation and amortization	187	186
Operating expenses as a percentage of sales	29.1%	26.5%	Less Other income (expense), net	1	(2)
			EBITDA	2,603	2,659
Operating income	2,416	2,473	EBITDA to Adjusted EBITDA (excluding non-cash and one-time expenses)		
Operating income as a percentage of sales	9.9%	10.8%	EBITDA	2,603	2,659
Interest expense	31	76	Equity compensation	119	99
Other income (loss), net	(1)	2	Adjusted EBITDA (excluding non-cash and one-time expenses)	2,722	2,758
Pretax income	2,384	2,399	Adjusted EBITDA to Adjusted Free Cash Flow (excluding non-cash and one-time expenses)		
Income tax expense	517	688	Adjusted EBITDA (excluding non-cash and one-time expenses)	2,722	2,758
Net income	\$1,867	\$1,711	Cash paid for taxes (foreign)	303	384
Weighted average shares for EPS-Basic	8,116,199	7,263,774	Capital expenditures	272	141
Net income per share	\$0.23	\$0.24	Adjusted Free Cash Flow (excluding non-cash and one-time expenses)	2,147	2,233
Operating income	\$2,416	\$2,473			
Depreciation and amortization	187	186			
EBITDA	2,603	2,659			
Equity Compensation	119	99			
Adjusted EBITDA	2,722	2,758			
Cash paid for taxes (foreign)	303	384			
Capital expenditures	272	141			
Free cash flow	\$2,147	\$2,233			
TTM Adjusted EBITDA	\$9,665	\$10,694			
TTM cash paid for taxes (foreign)	1,179	1,851			
TTM capital expenditures	1,036	524			
TTM free cash flow	\$7,450	\$8,319			

Income Statement & EBITDA Reconciliation

(\$ in thousands)

	Three Months Ended		Twelve Months Ended	
	January 31,		January 31,	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Net sales	\$25,157	\$20,302	\$95,987	\$86,183
Year over year growth	23.9%	-----	11.4%	-----
Gross profit	9,902	7,754	36,203	31,637
Gross profit %	39.4%	38.2%	37.7%	36.7%
Operating expenses	8,745	5,904	27,726	24,790
Operating expenses as a percentage of sales	34.8%	29.1%	28.9%	28.8%
Operating income	1,157	1,850	8,477	6,847
Operating income as a percentage of sales	4.6%	9.1%	8.8%	7.9%
Interest expense	(16)	(98)	(163)	(620)
Other income	16	26	29	46
Pretax income	1,157	1,778	8,343	6,273
Income tax expense	6,076	832	7,903	2,380
Net income (loss)	(\$4,919)	\$946	\$440	\$3,893
Weighted average shares for EPS-Basic	8,116,199	7,262,282	7,638,264	7,257,553
Net income (loss) per share	(\$0.64)	\$0.13	\$0.06	\$0.54
Operating income	\$1,157	\$1,850	\$8,477	\$6,847
Depreciation and amortization	193	231	775	1,194
EBITDA	1,350	2,081	9,252	8,041
Equity Compensation	133	99	424	276
USA Severance Associated with Restructure	-----	-----	-	461
Adjusted EBITDA	1,483	2,180	9,676	8,778
Cash paid for taxes (foreign)	332	473	1,260	1,599
Capital expenditures	286	297	905	413
Free cash flow	\$865	\$1,410	\$7,511	\$6,766
TTM Adjusted EBITDA	\$9,676	\$8,778	\$9,676	\$8,778
TTM cash paid for taxes (foreign)	1,260	1,599	1,260	1,599
TTM capital expenditures	905	413	905	413
TTM free cash flow	\$7,511	\$6,766	\$7,511	\$6,766

Balance Sheet

(\$ in thousands)

ASSETS	April 30, 2018	January 31, 2018
Current assets		
Cash and cash equivalents	\$16,285	\$15,788
Accounts receivable, net of allowance for doubtful accounts of \$440 and \$480 at April 30, 2018 and January 31, 2018, respectively	14,578	14,119
Inventories, net of allowance of \$2,445 and \$2,422 at April 30, 2018 and January 31, 2018, respectively	44,411	42,919
Prepaid VAT tax	1,903	2,119
Other current assets	2,237	1,555
Total current assets	79,414	76,500
Property and equipment, net	8,821	8,789
Assets held for sale	150	150
Deferred income tax	7,369	7,557
Prepaid VAT and other taxes	305	310
Other assets	342	354
Goodwill	871	871
Total assets	\$97,272	\$94,531
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$7,844	\$7,057
Accrued compensation and benefits	1,708	1,771
Other accrued expenses	1,486	1,182
Current maturity of long-term debt	158	158
Short-term borrowings	177	211
Total current liabilities	11,373	10,379
Long-term portion of debt	1,273	1,312
Total liabilities	12,646	11,691
Commitments and contingencies		
Stockholders' equity		
Preferred stock, \$0.01 par; authorized 1,500,000 shares (none issued)	-----	-----
Common stock, \$0.01 par; authorized 10,000,000 shares, Issued 8,472,640 shares; outstanding 8,116,199 shares	85	85
Treasury stock, at cost; 356,441 shares	(3,352)	(3,352)
Additional paid-in capital	75,038	74,917
Retained earnings	14,709	12,841
Accumulated other comprehensive loss	(1,854)	(1,651)
Total stockholders' equity	84,626	82,840
Total liabilities and stockholders' equity	\$97,272	\$94,531



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Appendix

Real Estate

Location	Sq. Ft.	Leased / Owned	Primary Function
Canada (Brantford)	22,092	Owned	Sales / Warehouse
China (Weifang)	122,665	Owned	Administration / Manufacturing / Warehouse / Sales
	16,145	Leased	Warehouse
Decatur, AL	147,228	Owned	Administration / Manufacturing / Sales
	21,000	Leased	Warehouse
Mexico (Zacatecas)	74,000	Owned	Administration / Manufacturing / Warehouse / Sales
Argentina (Buenos Aires)	3,770	Leased	Administration / Manufacturing / Warehouse / Sales
Chile (Santiago)	3,996	Leased	Administration / Warehouse / Sales
China (Beijing)	3,047	Leased	Sales / Warehouse
China (Shanghai)	11,746	Leased	Administration / Sales / Warehouse
India (Noida)	32,005	Leased	Manufacturing / Warehouse / Sales
Kazakhstan (Ust-Kamenogorsk)	89	Leased	Warehouse / Sales
Ronkonkoma, NY	2,500	Leased	Headquarters – Administration / Sales
Russia (Moscow)	875	Leased	Warehouse / Sales
U.K. (Newport, East Yorkshire)	9,833	Leased	Warehouse / Sales
Vietnam (Nahm Dinh)	140,000	Leased	Manufacturing / Warehouse