



February 9, 2017

To Our Customers:

We at LSI Industries are joined with our industry in opposing the use of certain metals in our products which are mined in the "Conflict Mines" in the Democratic Republic of the Congo (the "DRC") and the surrounding nine countries of Republic of Congo, Angola, Burundi, Central African Republic, Rwanda, South Sudan, Tanzania, Uganda and Zambia (collectively known as the "Covered Countries"). Certain mines in this region of the world ("Conflict Mines") are under the control of armed groups who have been cited for violent crimes and various human rights abuses against the local population. These armed groups smuggle out minerals which have been sourced from the Covered Countries, and the proceeds are used to further finance and perpetuate conflict, criminal behavior and human rights abuses. Therefore, tantalum, tin, tungsten and gold (3TG) are considered "Conflict Minerals." 3TG minerals may have been mined from either Conflict Mines or from Conflict-Free Mines.

The supply chain for the 3TG minerals used in the electronics industry is very complex. LSI Industries does not procure 3TG minerals directly from mines or smelters. In order to adhere to our company values, LSI Industries will work closely with our supply chain partners to verify to the extent possible that the material and products we supply do not contain Conflict Minerals that are sourced from these Conflict Mines. LSI will make every effort to replace any supply chain partner who does not supply us with products that are Conflict-Free, and will seek to source our materials and components only from supply chain partners who will.

LSI Industries has either obtained, or is in the process of obtaining, information via the standard EICC Conflict Minerals Reporting Template or via letter responses from our supply chain partners concerning the origin of the Conflict Minerals that are present in the various products we sell. Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, LSI Industries, as a public company, is required to report to the Securities and Exchange Commission ("SEC") on the origin of Conflict Minerals that are contained in products sold by LSI. The report for calendar year 2016 is to be filed with the SEC not later than May 31, 2017 and is required to be posted on our website (www.lsi-industries.com).

Please feel free to contact us if you have questions about our position on this issue.

Sincerely,

LSI Industries Inc. and Subsidiaries