

DAKTRONICS INC /SD/
Form DEF 14A
July 09, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant [X]
Filed by a Party other than the Registrant []

Check the appropriate box:

- [] Preliminary Proxy Statement
- [] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- [X] Definitive Proxy Statement
- [] Definitive Additional Materials
- [] Soliciting Material Pursuant to §240.14a-12

Daktronics, Inc.
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
- [] Fee computed on table below per Exchange Act Rules 14a-6(i) and 0-11.
 - 1 Title of each class of securities to which transaction applies:
 - 2 Aggregate number of securities to which transaction applies:
Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule
 - 3 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - 4 Proposed maximum aggregate value of transaction:
 - 5 Total fee paid:
- [] Fee paid previously with preliminary materials.
Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- []
 - 1 Amount previously paid:
 - 2 Form, Schedule or Registration Statement No.:
 - 3 Filing Party:
 - 4 Date Filed:

DAKTRONICS, INC.
201 Daktronics Drive
Brookings, South Dakota 57006

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
AUGUST 21, 2013

Time 7:00 p.m. Central Daylight Time on Wednesday, August 21, 2013

Place Daktronics, Inc.
201 Daktronics Drive
Brookings, South Dakota 57006

- Items of Business
1. To elect three Directors to serve for a three-year term that expires on the date of the Annual Meeting of Shareholders in 2016 or until their successors are duly elected;
 2. To approve the adoption of our Amended and Restated Articles of Incorporation;
 3. To conduct an advisory vote on the compensation of our named executive officers;
 4. To ratify the appointment by the Audit Committee of the Board of Directors of Ernst & Young LLP as our independent registered public accounting firm for fiscal 2014; and
 5. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Record Date You are entitled to vote if you were a shareholder of record at the close of business on June 24, 2013.

Annual Meeting All shareholders are invited to attend the Annual Meeting in person.

- Voting by Proxy Please submit a proxy as soon as possible so that your shares can be voted at the Annual Meeting in accordance with your instructions. Shareholders may vote their shares:
1. over the Internet;
 2. by telephone; or
 3. by mail.

For specific instructions, refer to the procedural matters section of this proxy statement or to the voting instructions on the proxy card.

THIS PROXY STATEMENT AND PROXY CARD ARE BEING DISTRIBUTED ON OR ABOUT JULY 12, 2013.

By Order of the Board of Directors,

Carla S. Gatzke
Secretary

IMPORTANT NOTICE REGARDING AVAILABILITY OF PROXY MATERIALS FOR THE DAKTRONICS, INC. ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON AUGUST 21, 2013.

This notice, the accompanying proxy statement and our Fiscal 2013 Annual Report to Shareholders, which includes our Annual Report on Form 10-K for the year ended April 27, 2013, are available at our website at <http://www.daktronics.com>. Additionally, and in accordance with the rules of the Securities and Exchange

Commission, shareholders may access these materials at the cookies-free website indicated in the Notice of Internet Availability of Proxy Materials that you receive in connection with this notice and the accompanying proxy statement.

Daktronics, Inc.
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DAKTRONICS, INC.

PROXY STATEMENT
FOR 2013 ANNUAL MEETING OF SHAREHOLDERS

PROCEDURAL MATTERS

General

The enclosed proxy is solicited by and on behalf of the Board of Directors of Daktronics, Inc., a South Dakota corporation, for use at our Annual Meeting of Shareholders to be held on Wednesday, August 21, 2013 at Daktronics, Inc., 201 Daktronics Drive, Brookings, South Dakota at 7:00 p.m. Central Daylight Time, and at any adjournment or postponement thereof (the "Annual Meeting"), for the purposes set forth herein and in the accompanying Notice of Annual Meeting of Shareholders. This Proxy Statement and the accompanying form of proxy, together with our fiscal year 2013 Annual Report to Shareholders, are being made available to shareholders on the Internet or are being mailed on or about July 8, 2013 to all shareholders entitled to vote at the Annual Meeting.

In this Proxy Statement, "Daktronics", "Company", "registrant", "we", "us" and "our" refer to Daktronics, Inc.

Shareholders Entitled to Vote; Record Date

Only shareholders of record at the close of business on June 24, 2013 (the "Record Date") are entitled to notice of and to vote at the meeting. As of the Record Date, there were 42,497,499 shares of our common stock outstanding and entitled to vote held by 1,293 shareholders of record.

Notice of Internet Availability of Proxy Materials

We are making proxy materials for the Annual Meeting available over the Internet. Therefore, we are mailing to the majority of our shareholders a notice about the Internet availability of the proxy materials instead of a paper copy of the proxy materials. The notice is entitled "Notice of Internet Availability of Proxy Materials." All shareholders receiving the notice will have the ability to access the proxy materials over the Internet and to request to receive a paper copy of the proxy materials by mail. Instructions on how to access the proxy materials over the Internet or to request a paper copy may be found on the notice. Our proxy materials may also be accessed on our website at <http://www.daktronics.com> by selecting "Investors" and then "Annual Report and Proxy" under "Shareholder Tools." We are providing some of our shareholders, including shareholders who have previously requested to receive paper copies of the proxy materials, with paper copies of the proxy materials instead of the Notice of Internet Availability of Proxy Materials.

Voting at the Annual Meeting; Vote Requirements

The holders of a majority of the shares of common stock issued and outstanding and entitled to vote at the Annual Meeting, present in person or represented by proxy, will constitute a quorum for the transaction of business. If a quorum is not present, the Annual Meeting may be adjourned from time to time until a quorum is present. Abstentions and broker non-votes will be treated as shares that are present and entitled to vote for purposes of determining the presence of a quorum. Each share is entitled to one vote on all matters submitted to a vote. However, with respect to the election of Directors, every shareholder will have the right to cast a number of votes equal to the number of Directors to be elected at the Annual Meeting multiplied by the number of shares the shareholder is entitled to vote. Shareholders may cast all votes for one nominee or divide the votes as they choose among two or three nominees. Shares abstaining will be treated as not voted.

A plurality of the votes cast is required for the election of Directors. This means that the Director nominee with the most votes for a particular slot is elected for that slot. Only votes "for" or "withheld" affect the outcome. Abstentions are

not counted for purposes of the election of Directors. The affirmative vote of a majority of the shares of common stock represented at the Annual Meeting, either in person or by proxy, assuming a quorum is present, is required to approve any of the other proposals. If an executed proxy is returned and the shareholder has abstained from voting on any matter, the shares represented by such proxy will be considered present at the Annual Meeting for purposes of determining a quorum and for purposes of calculating the vote, but they will not be considered to have been voted in favor of such matter. If a signed proxy is returned by a broker holding shares in "street name," and it indicates that the broker does not have discretionary authority to vote certain shares on one or more matters, such shares will be considered present at the Annual Meeting for purposes of determining a quorum but will not be considered to be represented at the Annual Meeting for purposes of calculating the vote with respect to such matter.

Counting Votes

The inspector of election appointed for the meeting will count the votes cast by proxy or in person at the Annual Meeting.

Brokers who hold shares in street name for customers will not be able to vote the shares without instructions from their customers with respect to any of the proposals, other than the proposal to ratify the selection of our auditors (Proposal Four of this Proxy Statement). Shares for which brokers have not received instructions, and which therefore are not voted, with respect to a particular proposal are

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referred to as “broker non-votes” with respect to that proposal. Abstentions from voting on a proposal described in this proxy statement and broker non-votes will not affect the outcome of the vote on that proposal.

How Votes are Submitted

If the shares of our common stock are held directly in the name of the shareholder, he or she can vote on matters to come before the meeting:

- by completing, dating and signing the proxy card and returning it to us in the postage-paid envelope provided for that purpose, if the shareholder has received a paper copy of a proxy card;
- by written ballot at the meeting;
- by telephone, by calling 1-800-690-6903; or
- by Internet, at <http://www.proxyvote.com>.

Shareholders whose shares of our common stock are held in “street name” must either direct the record holder of their shares as to how to vote their shares of common stock or obtain a proxy from the record holder to vote at the meeting. “Street name” shareholders should check the voting instruction cards used by their brokers or nominees for specific instructions on methods of voting, including by telephone or using the Internet.

Participants in the Daktronics, Inc. 401(k) Plan (the “401(k) Plan”) who hold our common stock in the 401(k) Plan are entitled to instruct the trustee of the 401(k) Plan as to how to vote their shares. Each participant will receive a Notice of Internet Availability of Proxy Materials, similar to the Notice received by the registered holders described above. Each participant will have the ability to access the proxy materials over the Internet and request to receive a paper copy of the proxy materials by mail. Instructions on how to access the proxy materials over the Internet or to request a paper copy may be found on the notice as described above. The participants can vote on matters as described above. The votes will then be tabulated and submitted for vote by the trustee. If a participant does not timely vote, the trustee will vote the shares allocated to that participant in the same proportion as the shares that are voted by all other participants under the 401(k) Plan.

Proxies

All shares entitled to vote and represented by properly submitted proxies received before the Annual Meeting will be voted at the Annual Meeting in accordance with the instructions indicated on those proxies if they are not revoked before the vote as described below. If no instructions are indicated on a properly submitted proxy, the shares represented by that proxy will be voted as recommended by the Board of Directors. If any other matters are properly presented for consideration at the Annual Meeting, the proxy holders will have discretion to vote on those matters in accordance with their best judgment.

Revocability of Proxies

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before it is voted. A proxy may be revoked by:

- delivering a written notice of revocation to the Secretary of the Company;
- submitting another proxy bearing a later date;
- voting by telephone or via the Internet after a prior telephone or Internet vote; or
- attending the Annual Meeting and voting in person (although attendance at the Annual Meeting alone will not itself revoke a proxy).

Expenses of Solicitation

All expenses of this solicitation, including the cost of preparing and mailing this Proxy Statement, will be borne by us. We may reimburse brokerage firms, custodians, nominees, fiduciaries and other persons representing beneficial

owners of stock for their reasonable expenses in forwarding solicitation material to such beneficial owners. Our Directors, officers and employees may also solicit proxies in person or by telephone, e-mail, letter or facsimile. Such Directors, officers and employees will not be additionally compensated, but they may be reimbursed for reasonable out-of-pocket expenses in connection with such solicitation.

Procedure for Submitting Shareholder Proposals

Shareholders may present proper proposals for inclusion in our proxy materials for consideration at the next annual meeting of our shareholders by submitting their proposals to us in a timely manner. In order to be included in our proxy materials for the next annual meeting, shareholder proposals must be received by us no later than March 10, 2014 and must otherwise comply with the requirements of Rule 14a-8 under the Securities Exchange Act of 1934. If a shareholder wants to nominate a Director or bring other business before the shareholders at the next annual meeting of our shareholders without including the proposal in our proxy statement, we must receive notice of the proposal on or before May 24, 2014, and the shareholder must otherwise comply with Rule 14a-4(c) under the Securities Exchange Act of 1934. Notices of intention to present proposals at the 2014 annual meeting of shareholders should be addressed to Corporate Secretary, Daktronics, Inc., 201 Daktronics Drive, Brookings, South Dakota 57006.

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At the date of this Proxy Statement, management knows of no other business that may properly come before the Annual Meeting. However, if any other matters properly come before the Annual Meeting, the individuals named in enclosed form of the proxy will vote the proxies received in response to this solicitation in accordance with their best judgment on such matters.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the beneficial ownership of common stock as of June 24, 2013, the Record Date, by each of our Directors, by each executive officer named in the Summary Compensation Table, by all Directors and executive officers as a group, and by each shareholder who is known by us to own beneficially more than five percent of our outstanding common stock.

| Name and Address of Beneficial Owners | Note | Amount and Nature of Beneficial Ownership ⁽¹⁾ | Percentage of Outstanding Shares ⁽²⁾ |
|--|------|--|---|
| 5% Beneficial Owners: | | | |
| BlackRock, Inc. 40 East 52nd Street New York, NY 10022 | (15) | 2,911,670 | 6.9 % |
| Mairs & Power, Inc. 332 Minnesota Street W-1520 First National Bank Building St. Paul, MN 55107 | (16) | 2,503,262 | 5.9 % |
| The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355 | (17) | 2,213,362 | 5.2 % |
| Daktronics, Inc. 401(k) Plan | (18) | 2,391,513 | 5.6 % |
| Named Officers and Directors: | | | |
| Dr. Aelred J. Kurtenbach | (3) | 2,343,910 | 5.5 % |
| James B. Morgan | (4) | 1,505,660 | 3.5 % |
| Frank J. Kurtenbach | (5) | 363,752 | * |
| Byron J. Anderson | (6) | 46,423 | * |
| Robert G. Dutcher | (7) | 56,342 | * |
| Nancy D. Frame | (7) | 94,423 | * |
| John L. Mulligan | (8) | 72,181 | * |
| Bruce W. Tobin | (9) | 22,311 | * |
| James A. Vellenga | (10) | 63,010 | * |
| Sheila M. Anderson | (11) | 23,023 | * |
| William R. Retterath | (12) | 104,223 | * |
| Reece A. Kurtenbach | (13) | 391,495 | * |
| Bradley T. Wiemann | (14) | 200,182 | * |
| All Directors and executive officers as a group (12 persons, consisting of those named above) | | 5,286,935 | 12.4 % |

* Less than one percent

(1) Each person has sole voting and sole dispositive power with respect to all outstanding shares, except as noted. The individuals holding restricted shares have the power to vote but not the power to dispose of such shares.

Based on 42,477,879 shares of common stock outstanding as of June 24, 2013. Such number does not include 514,516 shares of common stock subject to stock options outstanding as of June 24, 2013. Each figure showing the percentage of outstanding shares owned beneficially has been calculated by treating as outstanding and owned the shares upon which could be purchased

by the indicated person(s) on June 24, 2013 or within 60 days of June 24, 2013 upon the exercise of stock options or vesting of restricted stock and restricted stock units.

Includes 3,479 shares held through the 401(k) Plan, 957,443 shares held by his spouse, 200,000 shares held in (3) Medary Creek LLLP. Medary Creek LLLP is a limited liability limited partnership where Aelred and Irene Kurtenbach are the general partners.

(4) Includes 94,386 shares subject to options and 53,892 shares held through the 401(k) Plan.

(5) Includes 625 shares held through the 401(k) Plan and 110,350 shares held by his spouse.

(6) Includes 36,492 shares subject to exercisable options and 2,103 shares of restricted stock which vest on August 23, 2013.

(7) Includes 31,643 shares subject to exercisable options and 2,103 shares of restricted stock which vest on August 23, 2013.

(8) Includes 37,332 shares subject to exercisable options and 2,103 shares of restricted stock which vest on August 23, 2013.

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- (9) Includes 17,022 shares subject to exercisable options and 2,103 shares of restricted stock which vest on August 23, 2013.
- (10) Includes 36,492 shares subject to exercisable options and 2,103 shares of restricted stock which vest on August 23, 2013, and 5,000 shares held by spouse.
- (11) Includes 17,578 shares subject to options and 3,854 shares held through the 401(k) Plan.
- (12) Includes 88,604 shares subject to options. Mr. Retterath resigned from the Company effective September 10, 2012 and is no longer an executive officer of the Company.
- (13) Includes 67,662 shares subject to options, 23,726 shares held through the 401(k) Plan, 17,400 shares held by his spouse and 44,800 shares held by his children.
- (14) Includes 55,662 shares subject to options, 32,507 shares held through the 401(k) Plan and 501 shares held by his spouse.
- (15) Data based on Schedule 13G filed by the shareholder with the SEC on February 6, 2013.
Data based on Schedule 13G filed by the shareholder with the SEC on February 11, 2013. As set forth in the
- (16) Schedule 13G, Mairs & Power, Inc. has sole voting power as to 2,014,482 of these shares and sole dispositive power as to all 2,503,262 shares.
Data based on Schedule 13G filed by the shareholder with the SEC on February 12, 2013. As set forth in the
- (17) Schedule 13G, The Vanguard Group has sole voting power as to 51,896 of these shares and sole dispositive power as to 2,163,566 and shared dispositive power as to 49,796 of these shares.
The common stock held by the Daktronics, Inc. 401(k) Plan (the "Plan") and allocated to the 401(k) Plan
- (18) participants are voted by the trustee of the 401(k) Plan, according to the instructions of the 401(k) Plan participants. Shares held by the 401(k) Plan are as of the record date, June 24, 2013. The address of the 401(k) Plan is 201 Daktronics Drive, Brookings, South Dakota 57006.

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ELECTION OF DIRECTORS

General

Our Board of Directors consists of nine individuals divided into three classes serving staggered three-year terms of office. There are three Directors (James B. Morgan, John L. Mulligan and Bruce W. Tobin) whose terms will expire at the 2013 Annual Meeting; three Directors (Dr. Aelred J. Kurtenbach, Robert G. Dutcher and Nancy D. Frame) whose terms will expire in 2014 ; and three Directors (Byron J. Anderson, Reece A. Kurtenbach and James A. Vellenga) whose terms expire in 2015. The Nominating and Corporate Governance Committee has recommended to the Board of Directors that Mr. Morgan, Mr. Mulligan and Mr. Tobin be nominated for re-election at the 2013 Annual Meeting, and the Board of Directors has approved that recommendation. All nominees have consented to being named as a nominee in this proxy statement and have indicated a willingness to serve if elected. However, if any nominee becomes unable to serve before the election, the shares represented by proxies may be voted for a substitute designated by the Board, unless a contrary instruction is indicated on the proxy.

Vote Required

See “Procedural Matters –Voting at the Annual Meeting - Vote Requirements” for a description of the votes required for the election of Directors.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE “FOR” THE ELECTION OF THE NOMINEES FOR DIRECTORS NAMED BELOW.

Directors and Nominees for Director

The following table sets forth the name, age and certain other information about each nominee for Director as of the Record Date:

| Name | Age | Principal Occupation | Committees Served On |
|------------------|-----|----------------------|------------------------|
| James B. Morgan | 66 | President & CEO | None |
| John L. Mulligan | 74 | Retired | Audit Committee, Chair |
| Bruce W. Tobin | 61 | Retired | Audit Committee |

James B. Morgan joined the Company in 1969 as a part-time engineer while earning his M.S. degree in electrical engineering from South Dakota State University. He became President and Chief Operating Officer of the Company in 1999 and Chief Executive Officer in 2001. He served as its Vice President, Engineering, with responsibility for product development, contract design, project management and corporate information systems, from 1976 to 1999. Mr. Morgan has also served as a Director of the Company since 1984. Mr. Morgan brings to the Board his experience and knowledge of our business and industry derived from his current position as President and Chief Executive Officer and his experience of over 40 years working for the Company. Mr. Morgan is retiring as President and Chief Executive Officer of the company during calendar year 2013, although the effective date of his retirement has not been determined. The Board believes that Mr. Morgan's experiences and knowledge of the Company's business and industry add significant value to the Board, and supports his continuation as director.

John L. Mulligan has been a Director and has served as chairman of the Audit Committee since 1993. Since 1993, he has been employed by a number of financial institutions as a financial advisor and Vice President. He has been employed by UBS since May 2008 and, from 1999 through May 2008, he was with Morgan Stanley. From 1967 to March 1990, he served as President, Chairman, Chief Executive Officer and Director of American Western Corporation, a publicly-held company. Mr. Mulligan also served as a certified public accountant early in his career. Mr. Mulligan brings to the Board a significant amount of financial expertise from his experience in the financial services industry as well as a deep understanding of shareholder issues and concerns based on his more than 20-year

career as chief executive officer of a public company.

Bruce W. Tobin has been a Director and has served on the Audit Committee since February 2011 when he filled the term of Duane Sander, who resigned from the Board. Prior to his retirement in April 2011, Mr. Tobin worked for the 3M Company, most recently as the Vice President of Finance for International and Corporate Staff Services. He began his career with the 3M Company in 1974. He holds a Bachelor of Science in Management from the University of South Dakota. Mr. Tobin brings to the Board extensive experience in financial and strategic matters with a particular focus on international trade and expansion through his years in working with 3M. He also brings an understanding of external financial reporting, including SEC reporting.

The identity of the remaining Directors and certain information about them as of the Record Date are set forth below:

Byron J. Anderson (69) is currently retired. Before his retirement, from 1999 to 2004 he served at Agilent Technologies, Inc. as Senior Vice President serving customers and managing business groups located in the United States, Europe, Japan and Asia, which included worldwide sales and service activities. Before working with Agilent, he held various senior positions with Hewlett-Packard Company, ending his career there as a vice president responsible for a business unit serving the worldwide communications industry. He holds an

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M.B.A. from Harvard University and an electrical engineering degree from South Dakota State University. He has been a Director of the Company since 2005. Mr. Anderson brings to the Board significant experience in high-tech industry with a unique knowledge of supply chains, international development, foreign trade and corporate strategy obtained from his years in management of large multi-national, technology companies.

Robert G. Dutcher (68) is currently retired. Before his retirement, from April 2009 until March 2011, he served as Strategic Advisor Lead Member of MEDRAD, Inc. and served in that capacity since March 2009. From April 2008 through March 2009, he was President and Chief Executive Officer of the Cardiovascular Division of MEDRAD, Inc., an affiliate of Bayer AG. From 2001 until April 2008, he was the Chairman, President and Chief Executive Officer of Possis Medical, Inc., a publicly-held medical device company located in Minneapolis, Minnesota, which was acquired by MEDRAD, Inc. in April 2008. From 1993 until April 2008, he served as its President and Chief Executive Officer. Before joining Possis Medical in 1985, he was with Medtronic, Inc. for 12 years, most recently as Director of Research and Development. He previously worked in an engineering capacity for Control Data Corporation and Honeywell, Inc. Mr. Dutcher holds a B.S. degree in electrical engineering from South Dakota State University and an M.S. degree in electrical engineering from the University of Minnesota. He has been a Director of the Company since 2002 and chairman of the Compensation Committee since 2005. Mr. Dutcher brings to the Board extensive knowledge in driving profitable growth in technology driven industries from his experience in leading R&D at Medtronic and as Chief Executive Officer of Possis Medical.

Nancy D. Frame (68) was Deputy Director of the U. S. Trade and Development Agency from 1986 to 1999, when she retired. As a senior executive in this federal government agency, she was responsible for managing its day-to-day operations, budget, system of financial controls, and ethics program. From 1980 to 1986, she was Assistant General Counsel at the U.S. Agency for International Development, where she was in charge of all legal matters affecting personnel, labor relations and ethics. Before that she held various legal positions in the areas of international trade and commercial law. She has a law degree from Georgetown University, Washington, D.C. and a B.S. degree from South Dakota State University. She has been a Director of the Company since 1999 and chairperson of the Nominating and Corporate Governance Committee since 2004. She also serves as a member of the Compensation Committee. Ms. Frame brings to the Board a legal and managerial background which is particularly pertinent to corporate governance and risk oversight and to understanding the legal issues faced by the Company, especially as they relate to our international development.

Aelred J. Kurtenbach, Ph.D. (79) is a co-founder of the Company and has served as a Director and Chairman of the Board since its incorporation in 1968. He served as President of the Company until 1999, Chief Executive Officer until 2001, and Treasurer until 1993. Dr. Kurtenbach holds B.S., M.S. and Ph.D. degrees in electrical engineering from the South Dakota School of Mines and Technology, the University of Nebraska and Purdue University, respectively. Dr. Kurtenbach brings to the Board an in-depth perspective of our business and industry derived from his experience as co-founder of the Company, as the Chief Executive Officer of the Company since its founding through 2001, and as Chairman of the Board since then.

Reece A. Kurtenbach (48) was appointed as a Director in May 2013. Mr. Kurtenbach joined the Company in 1991 as an applications engineer focusing on large display projects. In 1994, he became the manager of our video products engineering group and, in 2004, was appointed Vice President, Video Systems. In 2007, he was named Vice President, Live Events and International and in 2011, he was named Executive Vice President. Mr. Kurtenbach received a B.S. degree from South Dakota State University in electrical engineering, with minors in mathematics and computer science. Mr. Kurtenbach is the son of Dr. Aelred Kurtenbach and the nephew of Mr. Frank Kurtenbach. The Board has announced its naming of Mr. Kurtenbach as the Company's next Chief Executive Officer following Mr. Morgan's retirement in calendar year 2013.

James A. Vellenga (78) is currently retired. He was elected as a Director in 1997. He spent 46 years in the computer and integrated circuit industry in various senior management positions involved in product development and operations. Mr. Vellenga's most recent position was as President and Chief Executive Officer of BSFX Corp., a company involved in the research of fibers for reinforcing concrete, where he served from 2003 until 2007. He holds a B.S. degree in electrical engineering from South Dakota State University. Mr. Vellenga brings to the Board a significant amount of business experience and leadership in high-tech businesses coupled with deep knowledge of growth companies and corporate strategies related to high-tech products from his years of experience in building companies such as Data 100 Corp, Lee Data Corporation, Aetrium Inc. and BSFX Corp.

Independent Directors

Our Nominating and Corporate Governance Committee has determined that each of Messrs. Tobin, Vellenga, Mulligan, Dutcher and Anderson and Ms. Frame are “independent,” as that term is defined in Rule 5605(a)(2) of the NASDAQ Listing Rules. Accordingly, the Board is composed of a majority of independent Directors as required by the NASDAQ Listing Rules.

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PROPOSAL TWO

APPROVE AN AMENDMENT TO OUR AMENDED AND RESTATED ARTICLES OF INCORPORATION TO REDUCE THE MINIMUM NUMBER OF DIRECTORS FROM NINE TO SEVEN

Background of Proposal

The purpose of this proposed amendment to our Articles is to change the minimum number of directors on our Board from nine to seven, to allow more flexibility in the structure of the Board.

For most of the company's history, the Board of Directors has consisted of 6 independent directors and 3 nonindependent directors. This amendment would allow the Board to reduce the number of nonindependent directors in the future if appropriate.

The Board of Directors has amended the Bylaws to require a minimum of seven directors, conditioned upon approval by the shareholders of this proposed amendment to the Articles.

The Board of Directors will continue to follow rules promulgated by the NASDAQ Stock Market and the Securities and Exchange Commission regarding Board structure and governance and director independence.

The Board of Directors and the executive team support this amendment and recommend approval to the shareholders.

Vote Required

Approval of this proposal requires the affirmative vote of a majority of the votes entitled to vote at the Annual Meeting assuming a quorum is present.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE APPROVAL OF THE AMENDMENT TO OUR AMENDED AND RESTATED ARTICLES OF INCORPORATION.

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**PROPOSAL THREE
ADVISORY (NON-BINDING) VOTE ON THE COMPENSATION PAID
TO OUR NAMED EXECUTIVE OFFICERS**

The foundation of our executive compensation program is to pay for performance. Base compensation for our executive officers is set relatively low as compared to our peer groups, and a meaningful portion of the compensation paid to our executive officers is based on long-term equity incentive compensation and annual non-equity incentive compensation, which is focused on the key results and strategic drivers of our business. We believe that our executive compensation program aligns our incentive compensation with the long-term interests of our shareholders because it is designed to motivate our executives to deliver long-term sustainable growth and shareholder value and to provide retention incentives.

Our Chief Executive Officer (“CEO”) and all of the other executive officers named in the Summary Compensation Table appearing later in this proxy statement (collectively, the “Named Executive Officers”) are subject to at-will employment consistent with state law. There are no specific employment agreements in place with any of the Named Executive Officers. We also do not maintain any supplemental executive retirement plans for our executive officers, and our Named Executive Officers participate in a retirement program that is open to all of our U.S. employees. We generally do not provide significant perquisites and other personal benefits.

We urge you to read the Compensation Discussion and Analysis section of this proxy statement for additional details on our executive compensation, including our compensation philosophy and objectives and the fiscal 2013 compensation of our Named Executive Officers. We believe that, viewed as a whole, our compensation practices and policies are appropriate and are fair to both the Company and its executives.

Proposal

The U.S. Congress has enacted requirements commonly referred to as the “say-on-pay” rules. As required by those rules, we are asking you to vote on the adoption of the following resolution:

BE IT RESOLVED by the shareholders of Daktronics, Inc., that the shareholders approve the compensation of the Company's Named Executive Officers as disclosed pursuant to Item 402 of Regulation S-K in the Company's proxy statement for the 2013 Annual Meeting.

Shareholder Approval

Proxies will be voted in favor of the resolution unless shareholders specify otherwise in their proxies and except for broker non-votes. The affirmative vote of at least a majority of the voting power of the shares present, in person or by proxy, and entitled to vote (excluding broker non-votes) is required for advisory approval of our executive compensation. As an advisory vote, this proposal is non-binding. However, the Board and our Compensation Committee, which is responsible for designing and overseeing the administration of our executive compensation program, values the opinions of our shareholders and will consider the outcome of the vote when making future compensation decisions for our Named Executive Officers.

THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR PROPOSAL THREE, THE APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THE PROXY STATEMENT PURSUANT TO THE SEC’S COMPENSATION DISCLOSURE RULES.

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PROPOSAL FOUR
 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED
 PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board of Directors has appointed Ernst & Young LLP as our independent registered public accounting firm to examine our consolidated financial statements and internal controls over financial reporting for fiscal 2014 and recommends that the shareholders vote for ratification of such appointment. Ernst & Young LLP has acted as our independent registered public accounting firm since fiscal year 2003. A representative of Ernst & Young LLP is expected to be present at the Annual Meeting, will have the opportunity to make a statement, and is expected to be available to respond to appropriate questions.

Audit and Other Professional Fees

The aggregate fees billed for professional services rendered by Ernst & Young LLP for the last two fiscal years are set forth in the following table:

| | Fiscal Year Ended | |
|-----------------------------------|-------------------|----------------|
| | April 27, 2013 | April 28, 2012 |
| Audit fees ⁽¹⁾ | \$547,800 | \$519,175 |
| Audit-related fees ⁽²⁾ | 24,673 | 27,442 |
| Tax fees ⁽³⁾ | — | 27,000 |
| All other fees ⁽⁴⁾ | 1,995 | 1,995 |
| Totals | \$574,468 | \$575,612 |

(1) Audit fees consist of fees related to professional services rendered in connection with the audit of our annual financial statements, the audit of our internal control over financial reporting, the reviews of the interim financial statements included in our Quarterly Reports on Form 10-Q and other professional services provided in connection with statutory and regulatory filings or engagements.

(2) Audit-related fees are fees for assurance and related services performed by Ernst & Young LLP that are reasonably related to the performance of the audit or review of the Company's financial statements.

(3) Tax fees are fees for professional services performed by Ernst & Young LLP with respect to tax compliance, tax advice and tax planning. This includes preparation of original and amended tax returns for us, any refund claims, payment planning, tax audit assistance, tax advice related to mergers and acquisitions, and tax work stemming from audit-related items.

(4) All other fees are fees for other permissible work performed by Ernst & Young LLP that does not meet the above category descriptions.

As provided in the Audit Committee's charter, all engagements for any non-audit services by our independent registered public accounting firm must be approved by the Audit Committee before the commencement of any such services. The Audit Committee may designate a member or members of the Audit Committee to represent the entire Audit Committee for purposes of approving non-audit services, subject to review by the full Audit Committee at the next regularly scheduled meeting.

The Audit Committee considers the provision of services by Ernst & Young LLP to us, over and above the external audit fees, to be compatible with the ability of Ernst & Young LLP to maintain its independence.

Shareholder Approval

The affirmative vote of a majority of the shares of our common stock represented at the Annual Meeting, either in person or by proxy, assuming a quorum is present, is required to ratify the appointment by the Audit Committee of the Board of Directors of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending April 26, 2014. If the shareholders do not approve the selection of Ernst & Young LLP, the Audit Committee

will reconsider its selection.

THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE “FOR” THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS THE COMPANY’S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING APRIL 26, 2014 AS SET FORTH IN PROPOSAL FOUR.

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CORPORATE GOVERNANCE

Board Leadership Structure

The Board of Directors adheres to governance principles that assure the integrity and continued viability of the Company. The Board has responsibility for risk management oversight and for providing strategic guidance to the Company. The Board believes that it must stay well-informed about the issues, challenges and opportunities facing Daktronics so that the Board members can properly exercise their fiduciary responsibilities to our shareholders. As part of this process, the Board is kept informed of our business through discussion with the Chief Executive Officer and other officers, by reviewing material provided to them and by participating in meetings of the Board and its Committees.

Dr. Aelred Kurtenbach, one of our founders and our former Chief Executive Officer, serves as Chairman of the Board. Mr. James Morgan, who joined Daktronics in 1969, was named Chief Executive Officer in 2001. This separation of the positions of Chairman and Chief Executive Officer has served the Company and our shareholders well. In addition, Ms. Nancy Frame has served as our Lead Independent Director since 2005.

We believe that we are best served at this time by separating the roles of the Chief Executive Officer and the Chairman of the Board. This separation allows us to benefit from the long-term history of managing the Company that the Chairman brings to the discussion and which complements the understanding of the current challenges and opportunities that the Chief Executive Officer brings to the Board. The Board believes that the continued Board leadership by our current chairman and the continued contribution of our outgoing Chief Executive Officer will be beneficial to the new Chief Executive Officer in his transition and as well as beneficial to the Board in its understanding and analysis of the Company's risks and opportunities.

The Chairman conducts the Board meetings, and the Lead Independent Director presides over executive sessions of the independent Directors. The Lead Independent Director also serves as chairperson of the Nominating and Corporate Governance Committee. In this dual role, the Lead Independent Director is able to bring to the Board a special focus on governance issues. She also facilitates the ability of non-management Directors to fulfill their responsibilities, builds consensus among Board members and provides a structure for communicating any concerns the non-management Directors may have directly to our executive management.

Our governance practices are compliant with the NASDAQ Listing Rules and the corporate governance regulations of the Sarbanes-Oxley Act of 2002. Among other things, these practices include the following:

The Nominating and Corporate Governance Committee reviews with the Board annually the composition of the Board as a whole, including the Directors' independence, skills, experience, age, diversity and availability of service to the Company.

The Nominating and Corporate Governance Committee recommends Director candidates for approval by the Board and election by the shareholders, taking into account the Company's need for diverse skills, professional experiences, backgrounds and other qualities to ensure a variety of viewpoints.

The Board conducts periodic self-evaluations facilitated by the Nominating and Corporate Governance Committee. The independent Directors meet in conjunction with regularly scheduled quarterly Board meetings and at other appropriate times.

The Board and all Board Committees are authorized to hire their own advisors as they deem to be necessary or advisable to fulfill their obligations.

Meetings of the Board of Directors and Committees

During fiscal 2013, the Board of Directors held four regularly scheduled meetings and three special meetings, the Audit Committee met eight times, the Compensation Committee met three times, and the Nominating and Corporate

Governance Committee met three times. All of the Directors attended at least 75 percent of the aggregate of all meetings of the Board of Directors and Committees upon which they served and the annual meeting of shareholders held in 2012.

Executive Sessions of the Board

The Board has formally adopted a policy of meeting in executive session and then with independent Directors only, in conjunction with each Board meeting. The independent Directors met seven times in fiscal 2013.

Annual Meeting Attendance Policy

As set forth in our Corporate Governance Guidelines, members of the Board of Directors are expected to devote sufficient time and attention to prepare for, attend and participate in Board meetings, shareholder meetings and meetings of Committees of the Board on which they serve.

Board's Role in Risk Oversight

The Board takes an active role in risk oversight both as a full Board and through its Committees. The Company's management team attends a portion of each regular Board meeting, and the Board engages management in a review of the business with respect to our

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strategies and risks. Such risks include those inherent in our businesses as well as the risks from external sources such as competitors, the economy, credit markets and regulatory and legislative developments.

The various Committees of the Board are also responsible for specific areas of risks. The Audit Committee meets regularly with management and our independent registered public accounting firm to oversee our financial risk management processes, controls and capabilities. The Audit Committee also oversees and reviews with management certain aspects of our credit, litigation, and currency risks and other finance matters. In addition, the Audit Committee reviews and monitors our procedures regarding the receipt, retention and treatment of complaints regarding internal accounting, accounting controls or audit matters. The Compensation Committee oversees our executive compensation arrangements and certain benefit plans. This includes the identification and management of risks that may arise from our compensation policies and practices. The Nominating and Corporate Governance Committee has oversight of corporate governance, including practices and procedures that promote good governance and thus mitigate governance risk, and it is also responsible for reviewing the performance of the Board, its Committees and their members. These Committees report to the full Board on these topics, including risks, as they deem to be necessary or advisable.

Code of Conduct

The Board of Directors has adopted our Code of Conduct, which applies to all of our employees, officers and Directors as described in our Annual Report to Shareholders. Included in the Code of Conduct are ethics provisions that apply to our Chief Executive Officer, Chief Financial Officer, and all other financial and accounting management employees. Copies of the Code of Conduct are available on our website at <http://www.daktronics.com>. The Nominating and Corporate Governance Committee reviews the Code of Conduct annually and oversees its implementation.

Policy and Procedures with Respect to Related Person Transactions

Our Board of Directors has adopted a written policy and procedure with respect to related person transactions, which the Audit Committee oversees. Under the policy, a “related party transaction” is a transaction, arrangement or relationship in which the Company was, is or will be a participant, the amount involved exceeds \$120,000, and in which any “related person” had, has or will have a direct or indirect material interest. The policy generally defines a “related person” as a Director, executive officer or beneficial owner of more than five percent of any class of our voting securities and any immediate family member of any of the foregoing persons.

The Audit Committee reviews and, if appropriate approves, any potential related person transaction. On an annual basis, the Audit Committee reviews any previously approved related person transaction that is ongoing.

Committees of the Board of Directors

The Board of Directors currently has three standing Committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee.

Audit Committee. During fiscal 2013, our Audit Committee consisted of Mr. Mulligan (Chairperson), Mr. Vellenga and Mr. Tobin (except during the period of September through November 2012, as Mr. Tobin took a special consultant assignment and our lead independent director Ms. Frame temporarily served as an Audit Committee member.) The Board of Directors has determined that each Audit Committee member is independent as defined under Rule 5605(a)(2) of the NASDAQ Listing Rules and Rule 10A-3 under the Securities Exchange Act of 1934 (“Exchange Act”). The Board has determined that Mr. Mulligan and Mr. Tobin are qualified as “audit committee financial experts,” as that term is defined in Item 407(d)(5)(ii) of Regulation S-K. The Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities concerning the quality and integrity of our financial reports and related filings with the SEC. In fulfilling this role, the Audit Committee, among other things, oversees the accounting and financial reporting process and audits of the financial statements and related SEC filings, appoints and provides for the compensation of our independent registered public accounting firm, reviews the scope and findings of

the audit, reviews the adequacy and effectiveness of our accounting policies and system of internal accounting controls, and oversees our policy and procedures with respect to related person transactions. The Audit Committee's Charter is available on our website at <http://www.daktronics.com>.

Compensation Committee. During fiscal 2013, our Compensation Committee consisted of Mr. Dutcher (Chairperson), Mr. Anderson and Ms. Frame. All of the Compensation Committee members satisfy the independence requirements of the NASDAQ Listing Rules, as determined by the Board of Directors. The Compensation Committee annually reviews and approves the Chief Executive Officer's and other executives' compensation packages, and acts upon management's recommendations for executives concerning employee equity incentives, bonuses and other compensation and benefit plans. The Compensation Committee's Charter is available on our website at <http://www.daktronics.com>.

Nominating and Corporate Governance Committee. During fiscal 2013, our Nominating and Corporate Governance Committee (the "Nominating Committee") consisted of Ms. Frame (Chairperson), Mr. Anderson and Mr. Vellenga. The Board of Directors has determined that all of the Nominating Committee members satisfy the independence requirements of the NASDAQ Listing Rules. Our Nominating Committee advises and makes recommendations to the Board of Directors on all matters concerning the selection of candidates as nominees for election as Directors, develops and recommends to the Board of Directors corporate governance guidelines, oversees our

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Code of Conduct, and provides oversight with respect to corporate governance and ethical conduct. It also facilitates the annual review of the performance of the Board of Directors. The Nominating Committee's Charter and our Corporate Governance Guidelines are available on our website at <http://www.daktronics.com>.

The information below describes the criteria and process that the Nominating Committee uses to evaluate future candidates to the Board of Directors:

Director Qualification

When Board candidates are considered, they are evaluated based upon various criteria, such as their broad-based business and professional skills and experiences, experience serving as management or on the board of directors of other organizations, concern for the long-term interests of the shareholders, technology company experience, financial literacy, personal integrity in judgment and their willingness to be prepared and active participants at Board and Committee meetings. The Nominating and Corporate Governance Committee and the Board seek to attract and retain highly qualified Directors who have sufficient time to attend to their duties and responsibilities to the Company.

The Nominating and Corporate Governance Committee and the Board seek members who will contribute to our overall corporate goals, taking into account:

- The Company's responsibility to its key stakeholders, which include shareholders, customers, suppliers, community and employees, industry leadership.

- Integrity in financial reporting and business conduct. Candidates are selected based upon their potential contributions to the long-term interests of shareholders.

- Diversity of a candidate's skills and experiences are considered as part of the nomination process.

Each candidate for Director must possess the following specific minimum qualifications:

- Demonstrated integrity and ethics in his or her professional life and an established record of professional accomplishment in his or her chosen field.

- Absence of any material personal, financial or professional interest in any present or potential competitor of the Company.

- Ability to participate fully in activities of the Board of Directors, including active membership in at least one Committee of the Board of Directors (in the case of independent Directors) and attendance at, and active participation in, meetings of the Board of Directors and the Committee(s) of the Board of which he or she is a member.

Shareholder Proposals for Nominees

The Nominating and Corporate Governance Committee will consider written proposals from shareholders for nominees for Director. Any such nominations should be submitted to the Nominating and Corporate Governance Committee in the care of our Corporate Secretary and should include (at a minimum) the following information: (a) all information relating to such nominee that is required to be disclosed in Schedule 14A under the Exchange Act (including appropriate biographical information); (b) other board memberships; (c) such person's written consent to being named in the proxy statement as a nominee and to serving as a Director, if elected; (d) the name(s) and address(es) of the shareholder(s) making the nomination and the number of shares of our common stock which are owned beneficially and of record by such shareholder(s); and (e) a statement as to the qualifications of the nominee. Shareholder proposals should be submitted by the March 10, 2014 deadline described in this proxy statement under the caption, "Procedural Matters – Procedure for Submitting Shareholder Proposals" above.

The Nominating Committee will not change the manner in which it evaluates candidates for Board nominees, including the applicable criteria set forth above, based on whether the candidate was recommended by a shareholder. To date, we have not received any shareholder proposals to nominate a Director.

Board of Directors' Evaluation

On an ongoing basis, the Nominating Committee facilitates a process to determine whether the Board of Directors and its Committees are functioning effectively. The results of this process are reported to the Board for discussion.

How to Contact the Board of Directors

Shareholders wishing to contact our Directors may do so by writing to them at the following address: Corporate Secretary, Daktronics, Inc., 201 Daktronics Drive, Brookings, South Dakota 57006. All letters received will be forwarded to the Directors.

Compensation Committee Interlocks and Insider Participation

During fiscal 2013, none of our executive officers served on the board of directors or compensation committee of another company that had an executive officer who served on our Board of Directors or our Compensation Committee.

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Director Compensation

The following table sets forth information about the compensation paid to and earned by our Directors for the fiscal year ended April 27, 2013:

FISCAL YEAR 2013 DIRECTOR COMPENSATION

| Name ⁽¹⁾ | Fees Earned or Paid in Cash | Stock Awards ⁽²⁾ | Option Awards ⁽³⁾ | Non-equity Incentive Plan Compensation ⁽⁴⁾ | All Other Compensation ⁽⁵⁾ | Total Compensation |
|------------------------------------|--------------------------------------|--------------------------------|---------------------------------|---|--|-----------------------|
| Byron J. Anderson | \$24,000 | \$20,000 | \$45,000 | — | \$— | \$89,000 |
| Robert G. Dutcher | 24,000 | 20,000 | 45,000 | — | — | 89,000 |
| Nancy D. Frame | 27,000 | 20,000 | 45,000 | — | — | 92,000 |
| John L. Mulligan | 26,000 | 20,000 | 45,000 | — | — | 91,000 |
| James A. Vellenga | 26,000 | 20,000 | 45,000 | — | — | 91,000 |
| Bruce W. Tobin | 23,000 | 20,000 | 45,000 | — | 50,000 | 138,000 |
| Frank J. Kurtenbach ⁽⁶⁾ | 20,000 | — | — | 5,640 | 40,000 | 65,640 |

As employees of the Company, James B. Morgan, the President and Chief Executive Officer and Dr. Aelred J.

(1) Kurtenbach, Chairman of the Board, both are considered Named Executive Officers during fiscal 2013 and therefore are included in the appropriate tables within Executive Compensation.

Represents August 23, 2012 grants of 2,103 restricted shares of our common stock, which vest on August 23, 2013 (2) if they are then Directors of the Company. This amount was computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 ("ASC 718").

Represents August 23, 2012 stock option awards of 13,636 shares with a grant date fair value of \$45,000, which vest on August 23, 2013 if they are then Directors of the Company. This amount was computed in accordance with (3) ASC 718. The 2007 Stock Incentive Plan (the "2007 Plan") requires that all options granted under the 2007 Plan have an exercise price equal to the fair market value of our common stock on the date of grant. All options granted to non-employee Directors under the 2007 Plan are non-qualified options not intended to qualify as incentive stock options under Section 422 of the Internal Revenue Code of 1986.

The amounts in this column reflect the total variable cash compensation paid to Mr. Kurtenbach under the (4) non-equity-based incentive compensation plan. As explained in this proxy statement under the "Compensation Discussion and Analysis" section, variable incentive compensation payments appear in this column upon achievement of certain targets based on operating income for fiscal 2013.

Represents consulting fees earned during special assignment by Mr. Tobin as an independent member of our Board (5) of Directors during the period of September 12 through November 29, 2012. This column also includes the annual compensation earned by Mr. Kurtenbach as a part-time employee of Daktronics.

Mr. Kurtenbach chose to resign from the Board as noted in Form 8-K on May 29, 2013 and was replaced by Reece (6) A. Kurtenbach as appointed by the Board.

Independent Director Fees. For fiscal 2013, each independent Director received an annual retainer of \$12,000, plus \$2,000 per meeting, for each Board of Directors meeting attended in person and the following annual retainers for Committee membership:

| | Chair | Other Members |
|---|---------|------------------|
| Audit Committee | \$6,000 | \$4,000 |
| Compensation Committee | 4,000 | 2,000 |
| Nominating and Corporate Governance Committee | 4,000 | 2,000 |

The retainers for Board and Committee service are included in the table above entitled "Fiscal Year 2013 Director Compensation".

Stock Ownership and Retention Guidelines. The Board of Directors has implemented stock ownership guidelines for Directors. Under these guidelines, each Director is expected to achieve a target of 5,000 shares owned, excluding shares subject to options. Directors had five years from the later of their first becoming a member of the Board of Directors or January 2007 to achieve this level of ownership. As of the Record Date all directors were in compliance.

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Executive Officers

The following discussion sets forth information as of July 1, 2013 about our executive officers who are not Directors.

| Name | Positions with the Company | Age | Officer Since |
|--------------------|--|-----|---------------|
| Sheila M. Anderson | Chief Financial Officer | 40 | 2012 |
| Bradley T. Wiemann | Executive Vice President – Commercial and Transportation | 50 | 2004 |

Sheila M. Anderson joined the Company in 2002 as a senior accountant after spending a number of years working as a certified public accountant in public accounting and auditing firms and as a senior accountant at a private company. In 2006, Ms. Anderson was named Corporate Controller and, in 2012, she was named Chief Financial Officer and Treasurer. Ms. Anderson holds a Bachelor of Science degree in Accounting from Southwest Minnesota State University and is pursuing a Master of Business Administration degree from the University of South Dakota.

Bradley T. Wiemann joined the Company in 1993 as an engineer in our commercial and transportation products department after spending a number of years with Rockwell International Corporation, where he was involved in flight control systems. In 2004, he was appointed Vice President, Commercial and Transportation and in 2012, he was named Executive Vice President. Mr. Wiemann holds an M.S. degree in electrical and computer engineering from the University of Iowa and a B.S. degree in electrical engineering from South Dakota State University.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires that our Directors, executive officers, and persons who own more than 10 percent of a registered class of our equity securities (“10% Shareholders”) file with the SEC initial reports of ownership on Form 3 and reports of change in ownership on Form 4 or Form 5. Such Directors, executive officers and 10% Shareholders are also required by rules of the SEC to furnish us with copies of all Section 16(a) forms that they file. To our knowledge, based solely on a review of copies of such forms submitted to us and on written representations from our reporting persons, we believe all required reports were filed on a timely basis during fiscal 2013. For fiscal 2012, a Form 5 for Dr. Aelred J. Kurtenbach was filed reporting shares gifted to a grantor retained annuity trust of which the reporting person and the spouse of the reporting person is the grantor and annuitant.

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

The following discussion should be read in conjunction with the various tables and accompanying narrative disclosure appearing in this proxy statement. Those tables and narrative disclosure provide more detailed information regarding the compensation and benefits awarded to, earned by, or paid to our Named Executive Offices, as well as the plans in which those officers are eligible to participate. At last year’s annual meeting, our shareholders provided an advisory “say-on-pay” vote indicating their overwhelming support of the Company’s compensation program for our Named Executive Officers. Our shareholders also previously voted that such say-on-pay votes be held annually. As a result, Proposal Three presented in this proxy statement again seeks our shareholders’ input on our executive compensation program. This Compensation Discussion and Analysis, the compensation tables and the narrative disclosures that accompany the tables provide information that will assist our shareholders in deciding how to vote on Proposal Three.

Executive Summary

Our executive compensation program, developed by management and approved by the Compensation Committee of the Board of Directors (the “Committee”), is intended to be simple, focused on a few key performance metrics and balanced among:

Employees, managers and executives
Long-term and short-term objectives
Financial and stock performance
Cash and equity compensation

The compensation program is designed to align the interests of the executive team with the interests of our shareholders. The plan uses salary, benefits, and a non-equity-based and equity-based incentive program to achieve these goals, with a focus on tying compensation to corporate performance. Retention of top talent and achievement of corporate objectives measure the effectiveness of our compensation plan.

The Company's financial performance for the fiscal year ended April 27, 2013, included strong sales and net income. We delivered a 7.2 percent return on assets and a 11.9 percent return on beginning shareholders' equity. Sales were up 5.9 percent and net income rose 168 percent from the levels in fiscal 2012 and operating income as a percentage of sales improved from approximately two percent in fiscal

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2012 to approximately six percent in fiscal 2013. We believe our historical investment in lean manufacturing practices and improved economies, along with strong management, have contributed to our strong performance in recent periods.

Changes to executive compensation levels during the current fiscal year were mainly due to maintaining competitiveness as the economy improved and the results of our benchmarking analysis.

Role of Compensation Committee, Philosophy and Objectives

The Compensation Committee has responsibility for guiding our executive compensation philosophy and overseeing the design of executive compensation programs. In arriving at the appropriate levels of pay and incentive opportunities, the Committee reviews our compensation philosophy and trends in our industry to ensure that our executive compensation program is competitive to effectively recruit and retain talented management, focuses our executives to achieve short and long-range corporate objectives, and aligns the interests of the executives with the interests of our shareholders.

The Committee bases its executive compensation decisions on the following philosophies:

• Executive compensation should be appropriate to successfully recruit and retain high-performing executives, taking into account executive pay at comparable companies and our pay practices for non-executive employees.

• An individual executive's compensation should be based on the executive's responsibility level, capability, and performance.

• The executive team's compensation should include a significant component that is based on the Company's overall financial performance, to encourage the executive team to focus collectively on overall Company success.

• Our executives should receive few perquisites, if any, other than those provided to all employees.

The Committee annually reviews each executive's compensation. The Committee has determined that our executives' compensation will include: base salary, non-equity-based incentive pay, and equity-based incentive pay in the form of options and restricted stock units. We view the various components of compensation as related but distinct. Although the Committee reviews and considers total compensation for each executive officer and for all executive officers as a group, we do not believe that significant compensation derived from one component of compensation should necessarily negate or reduce compensation from other components.

We determine the appropriate level for each executive compensation component based in part, but not exclusively, on the following factors:

• internal equity and consistency;

• individual performance;

• the executive compensation paid by other companies with which we compete for executive talent; and

• Company performance.

The base salary reflects the pay that the Committee believes is appropriate for each executive's responsibility, capability, and performance. The non-equity-based variable compensation is designed to focus the executive team on the Company-wide goals and objectives, which focus on growth in revenue and reductions in cost in order to achieve and sustain a target operating margin. The Committee has not adopted any formal policies or guidelines for allocating compensation between long-term and currently paid-out compensation, between cash and non-cash compensation, or among different forms of non-cash compensation, although it has a preference for a material amount of "at risk" compensation, the amount of which is based on our financial results. The equity-based compensation plan is designed to encourage executives to also own stock in the Company, and thereby more directly align executives' interests with our shareholder interests.

The Committee considers both internal equity and market competitiveness. We compare executive pay to other key managers and to employees at the Company. We also compare overall executive compensation to comparison companies and to salary database information. The Committee believes that equitable and competitive compensation, as well as leader development and promotion-from-within, is essential to retain high-performing executives. The average number of years of experience with Daktronics of our currently employed named executives is 28 years.

For fiscal 2013, our named executive officers were Dr. Aelred J. Kurtenbach, Chairman of the Board, James B. Morgan, President and Chief Executive Officer, Sheila M. Anderson, Chief Financial Officer, and Treasurer; William R. Retterath, former Chief Financial Officer, and Treasurer; Reece A. Kurtenbach, Executive Vice President, and Bradley T. Wiemann, Executive Vice President (the "Named Executive Officers.")

Role of Executive Officers in Compensation Decisions

Our Chief Executive Officer and Vice President of Human Resources present to the Compensation Committee their recommendation for the salary, non-equity-based incentive compensation, and equity-based compensation grants for the Named Executive Officers and selected other executives. The Committee considers these recommendations and accepts or adjusts them, in whole or in part, at a meeting

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generally held in November of each year. The Chief Executive Officer and Vice President of Human Resources are not present for the discussions or determinations about their own compensation, but they generally participate in the discussions regarding other executive officers' compensation. The Chair of the Compensation Committee presents the Committee's findings regarding compensation for executive officers to the Board of Directors. Based on such input, the Board of Directors approves and adopts the executives' compensation plan.

Benchmarking

In making decisions regarding elements and amounts of compensation, the Committee considers the compensation paid to executive officers at similar levels, with similar responsibilities, at public companies in our geographical area (South Dakota, North Dakota, Minnesota, Iowa, and Nebraska), with revenues of between \$250 million and \$750 million and with a focus on manufacturing or technology.

The following list sets forth the companies comprising our peer group list:

| | |
|--------------------------|------------------------------|
| Apogee Enterprises, Inc. | Hawkins, Inc. |
| Navarre Corporation | ValueVision Media, Inc. |
| Techne Corporation | Tennant Company |
| Winnebago Industries | Lindsay Corporation |
| Raven Industries | LodgeNet Entertainment Corp. |
| Graco, Inc. | Hutchinson Technology, Inc. |
| MTS Systems Corporation | |

The Committee also considers compensation data from Salary.com and Economic Research Institute, which takes into consideration company size and geography, and base salary and variable cash compensation, but excludes equity incentive compensation information.

To date, we have not retained consulting firms to assist us in determining executive compensation. The Committee believes that the executive compensation is sufficiently conservative, as well as appropriately competitive, so as not to require an external consultant opinion.

Elements of Compensation

For fiscal 2013, the principal components of our executive compensation program consisted of the following, each of which is addressed below in greater detail:

- base salary;
- non-equity-based incentive compensation plan;
- equity-based compensation program;
- deferred compensation arrangements; and
- benefits.

Base Salary. Executive officers receive a base salary to compensate them for services rendered during each year. Base salary is determined by assessing the executive's sustained performance and his or her individual job responsibilities, including the impact of such performance on our business results, in addition to market data and comparisons to our other officers.

The Committee also takes into account our financial performance, understanding that these measures need to be considered in light of current economic conditions, business opportunities and other factors. The Compensation Committee also considers the recommendations of the Chief Executive Officer for other Named Executive Officers.

During fiscal 2013, the Company determined that it needed to make some salary adjustments throughout the Company in order to maintain competitiveness as the economy improved. Based on the peer group and salary database information, the Committee determined that some adjustments would also be appropriate for the executive team. The Committee determined the adjustments appropriate for the executives based on their responsibilities, performance, and individual pay compared to the peer group and databases. The Chief Executive Officer requested no increase in his pay, which the Compensation Committee approved. The Chief Financial Officer's compensation was determined at the time of her offer in September 2012, and was based on internal equity and market competitiveness for her responsibility and experience.

Non-Equity-Based Incentive Compensation Plan. The purpose of our non-equity-based incentive compensation plan is to focus the executive team on the Company-wide goals and objectives, which focus on growth in revenue and reductions in cost in order to achieve and sustain a target operating margin. The non-equity-based incentive compensation plan is a formula-based variable cash compensation plan, with no payouts if operating margin is less than 2.5 percent, targeted payouts at 10 percent operating margin, and maximum payouts at 12.5 percent operating margin. The targeted level of variable cash compensation varies from an amount equal to three months of base

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salary to 7.5 months of base salary for each executive officer. The maximum level of the variable cash compensation is 120 percent of the targeted level of variable cash compensation.

This level of non-equity compensation takes into account the reference to other incentive non-equity compensation plans at comparable companies and in the databases, as well as the Committee's preference for a material level of variable executive compensation that varies with Company performance. The Compensation Committee selected operating margin as the measure of corporate financial performance to determine variable cash compensation because it believed it was the most appropriate indicator of performance that will drive long-term shareholder value and it was consistent with our corporate strategies.

The various payout percentages based on operating margins are as follows:

| Operating Margin | Percentage of Targeted Non-equity Incentive Compensation |
|------------------|--|
| Less than 2.5% | — |
| 2.5 to 5.0% | 0.0 to 25.0% |
| 5.0 to 7.5% | 25.1 to 60.0% |
| 7.5 to 10.0% | 60.1 to 100.0% |
| 10.0 to 12.5% | 100.1 to 120.0% |

We also follow applicable laws and regulations regarding the recovery of any non-equity-based compensation, other incentive-based or equity-based compensation and profits realized from the sale of securities resulting from any misconduct on the part of an executive officer.

During fiscal 2013, the executive officers were eligible for non-equity-based incentive compensation if the maximum payout of 120 percent of target was achieved as follows: Chief Executive Officer - 75 percent of base salary, Chairman of the Board of Directors - 30 percent of base salary, and all other named executives 55 percent of their base salary. The company's performance was less than the threshold for variable compensation in fiscal years 2012 and 2011, and no payout was made for those years. For fiscal 2013, the operating margin resulted in a non-equity-based incentive compensation payout of approximately 38 percent of the target or 31 percent of the maximum payouts.

Equity-Based Compensation Program. Grants of equity awards have been the primary vehicles for offering long-term incentives to our executives, and to aligning the interests of employees more closely with those of our shareholders.

Each year, the Board of Directors, based on recommendations of the Compensation Committee, determines the number of shares that may be subject to equity awards for all employees, including the Named Executive Officers. The total number of shares subject to equity awards is constrained by our Board's desire to limit dilution to shareholders to a level consistent with our historical levels, which generally approximate a dilution of one percent, and to limit the total grant date fair value of the equity awards to a targeted level. The one percent dilution is based on an assessment of a conservative amount relative to high-tech growth companies. The grant date fair value is based on a comparison to the prior years' expense and the current year's estimate of a percentage of total payroll expense.

The Committee also considers trends in equity-based compensation, the mix of the type of equity grants, and the number of our shares that are available for equity grants. Historically, the Compensation Committee has approved approximately 20 percent of the shares for equity grants to be granted to the executive team, and it followed that practice again in fiscal year 2013. The allocation among Named Executive Officers is based on historical grants, the value of past grants and the Company's performance, all of which are subject to the objectives listed under the section titled "Compensation Discussion and Analysis - Role of Compensation Committee, Philosophy and Objectives." To facilitate the grant of stock options to employees and other executive officers, the Board of Directors authorized the Chief Executive Officer to grant individual stock options and restricted stock units during fiscal 2013, subject to the

guidelines and limitations imposed by the Compensation Committee.

For fiscal 2013, the Compensation Committee determined that it would continue to grant restricted stock units as well as incentive stock options in a manner substantially similar to fiscal 2012, except that valuation of the equity grants, based on the grant date fair value as determined under ASC 718, would be limited to approximately \$2.3 million. The number of shares of common stock subject to stock options and restricted stock units granted increased slightly from the prior year. The value of the restricted stock units was equal to 50 percent of the value of the stock options for executives, as determined under the fair value provisions of ASC 718.

Historically, the equity grants for executives and employees have been considered at the Board and Compensation Committee meetings generally held in November of that fiscal year. Starting in fiscal 2013, the Board and Compensation Committee determined that it would be more appropriate to approve the grants in conjunction with the August meetings, to coincide with the Director equity grants and the annual shareholder meeting. Equity awards are not typically granted at other times of the year for employees, including new

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employees. The exercise price of all stock options granted is equal to the fair market value of the Company's common stock as reported on The NASDAQ Global Select Market on the date of grant, which is defined in the 2007 Plan as the closing price of the common stock as reported on The NASDAQ Global Select Market on the date of grant. All options also contain five-year vesting provisions, with 20 percent of the shares underlying the stock option vesting each year following the date of grant. The restricted stock units also contain a five-year vesting provisions, with 20 percent of the restricted stock units vesting each year following the date of grant.

Deferred Compensation Arrangements. We have deferred compensation arrangements with James B. Morgan and Dr. Aelred J. Kurtenbach, which were implemented in 1990 to protect the Company from the loss of these key employees during our formative years. Participation in this plan by other executives is not in consideration at this time. The arrangements are designed to fund annual payments upon retirement based on the value of amounts credited to each participant's account. These arrangements are funded through an increase in the cash surrender value of life insurance policies on the lives of the participants. They are evidenced by deferred compensation agreements and are described in the table entitled "Non-qualified Deferred Compensation – Fiscal 2013."

Benefits. Our Named Executive Officers are eligible for all benefits generally available to our full-time employees. Other than the deferred compensation plan described above, we do not provide pension arrangements, post-retirement health coverage, or similar benefits for our executives or employees.

All employees, including the Named Executive Officers, are entitled to participate in the Daktronics, Inc. 401(k) Plan (the "401(k) Plan"), which is qualified under Section 401(k) of the Internal Revenue Code of 1986. At the discretion of the Board of Directors, we may make matching contributions equal to a percentage of the salary deduction contributions or other discretionary amounts. We paid \$1.7 million in matching and discretionary contributions in fiscal 2013, \$1.6 million in fiscal 2012 and \$0.9 million in fiscal 2011. Contributions to the 401(k) Plan on behalf of the Named Executive Officers are described in the table entitled "Summary Compensation Table – Fiscal 2013."

All employees, including the Named Executive Officers, are entitled to participate in the Daktronics, Inc. Employee Stock Purchase Plan ("ESPP"), which is intended to qualify under Section 423 of the Internal Revenue Code of 1986. The ESPP allows employees to purchase shares of our common stock, subject to annual limitations, at a price equal to 85 percent of the lower of the fair market value of the common stock at the beginning or the end of each six-month offering period. See "Executive Compensation – Employee Stock Purchase Plan."

Accounting and Tax Treatment

We account for equity-based compensation paid to employees under ASC 718, Compensation-Stock Compensation promulgated by the Financial Accounting Standards Board, which requires us to estimate and record an expense over the service period of the award. Thus, we may record an expense in one year for awards granted in earlier years. Accounting rules also require us to record cash compensation as an expense at the time the obligation is accrued.

With respect to option awards, we generally can deduct the gain recognized by employees and Directors from non-qualified options. However, to the extent that an option is an incentive stock option, we cannot deduct the gain recognized by the optionee if there is no disqualifying disposition by the optionee.

With respect to restricted stock awards, we generally can deduct the fair market value of the shares vested on the vesting date. Alternatively, if the recipient were to make an election under Section 83(b) of the Internal Revenue Code of 1986, we would be entitled to a deduction on the date of grant equal to the value of the restricted stock on the date of grant.

Section 162(m) of the Internal Revenue Code of 1986 generally disallows a tax deduction to public companies for compensation in excess of \$1 million paid to the companies' chief executive officer and four other most highly-paid

executive officers. Qualifying performance-based compensation will not be subject to the deduction limitation if certain requirements are met. Because the potential amount of base salary and non-equity-based incentive compensation that our executive officers can earn is less than \$1 million, Section 162(m) has not been material to our compensation decisions.

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COMPENSATION COMMITTEE REPORT

Notwithstanding anything to the contrary set forth in any of our previous or future filings under the Securities Act of 1933 or the Securities Exchange Act of 1934 that might incorporate future filings by reference, including this proxy statement, in whole or in part, the following report of the Compensation Committee shall not be deemed to be incorporated by reference into any such filings and shall not otherwise be deemed filed under such acts.

The Compensation Committee has reviewed and discussed the section of this proxy statement entitled “Compensation Discussion and Analysis” with management. Based on such review and discussions, the Compensation Committee recommended to our Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

By the Compensation Committee:

Robert G. Dutcher, Chair

Nancy D. Frame

Byron J. Anderson

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EXECUTIVE COMPENSATION

The following table sets forth information about compensation awarded to, earned by or paid to our principal executive officer and principal financial officer during the fiscal years ended April 27, 2013, April 28, 2012 and April 30, 2011 and to our next three most highly compensated executive officers whose total compensation was greater than \$100,000 for the fiscal year ended April 27, 2013.

SUMMARY COMPENSATION TABLE – FISCAL 2013

| Name and Principal Position | Year | Salary | Stock Awards ⁽¹⁾ | Option Awards ⁽²⁾ | Non-Equity Incentive Plan Compensation ⁽³⁾ | All Other Compensation ⁽⁴⁾ | Total |
|---------------------------------------|------|------------|-----------------------------|------------------------------|---|---------------------------------------|------------|
| James B. Morgan | 2013 | \$ 310,680 | \$ 19,000 | \$ 39,271 | \$ 73,010 | \$ 6,349 | \$ 448,310 |
| Chief Executive Officer and President | 2012 | 310,680 | 18,768 | 39,215 | — | 6,524 | 375,187 |
| | 2011 | 310,680 | 23,338 | 46,671 | — | 5,600 | 386,289 |
| Sheila M. Anderson ⁽⁵⁾ | 2013 | \$ 151,116 | \$ 18,168 | \$ 34,300 | \$ 27,918 | \$ 4,659 | \$ 236,161 |
| Chief Financial Officer | | | | | | | |
| William R. Retterath | 2013 | \$ 103,276 | \$ 18,079 | \$ 37,368 | \$ — | \$ 135,065 | \$ 293,788 |
| Former Chief Financial Officer | 2012 | 197,626 | 17,952 | 37,510 | — | 6,782 | 259,870 |
| | 2011 | 194,165 | 21,340 | 42,666 | — | 3,548 | 261,719 |
| Dr. Aelred J. Kurtenbach | 2013 | \$ 150,000 | \$ — | \$ — | \$ 14,100 | \$ 4,500 | \$ 168,600 |
| Chairman of the Board | 2012 | 150,000 | — | — | — | 4,500 | 154,500 |
| | 2011 | 150,000 | — | — | — | 2,769 | 152,769 |
| Reece A. Kurtenbach | 2013 | \$ 195,854 | \$ 18,079 | \$ 37,368 | \$ 35,104 | \$ 4,896 | \$ 291,301 |
| Executive Vice President | 2012 | 187,776 | 17,136 | 35,805 | — | 5,319 | 246,036 |
| | 2011 | 182,931 | 20,308 | 40,649 | — | 3,445 | 247,333 |
| Bradley T. Wiemann | 2013 | \$ 188,774 | \$ 18,079 | \$ 37,368 | \$ 33,884 | \$ 5,726 | \$ 283,831 |
| Executive Vice President | 2012 | 182,266 | 17,136 | 35,805 | — | 6,093 | 241,300 |
| | 2011 | 178,546 | 20,308 | 40,649 | — | 3,927 | 243,430 |

Consists of restricted stock units granted under the 2007 Plan. In accordance with ASC 718, the amount is calculated based on the fair value of the grant date fair value of the award. Refer to “Item 7. Management’s (1) Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies and Estimates ” in our Annual Report on Form 10-K for the year ended April 27, 2013 for a discussion of the assumptions used in calculating the amount under ASC 718.

Consists of stock options granted under the 2007 Plan. The value of the option awards is calculated based on the grant date fair value of the award in accordance with ASC 718. Refer to “Item 7. Management’s Discussion and (2) Analysis of Financial Condition and Results of Operations — Critical Accounting Policies and Estimates ” in our Annual Report on Form 10-K for the year ended April 27, 2013 for a discussion of the assumptions used in calculating the amount under ASC 718.

The amounts in this column reflect the total variable cash compensation paid to Named Executive Officers under the non-equity-based incentive compensation plan. As explained earlier in this proxy statement variable incentive (3) compensation payments appear in this column upon achievement of certain targets based on operating income for fiscal 2013. There were no payments under this plan during fiscal years 2012 and 2011.

Consists of matching contributions made by us under the 401(k) Plan, which is intended to qualify under Section (4) 401(k) of the Internal Revenue Code of 1986, and severance payments in the amount of \$133,450 made to Mr. Retterath during this fiscal 2013 year in accordance with his separation agreement as previously disclosed in a Current Report on Form 8-K, dated October 12, 2012.

(5)

Sheila M. Anderson was named Chief Financial Officer and Treasurer in September 2012. Ms. Anderson's salary was increased to \$162,000 effective September 12, 2012. Included in Ms. Anderson's salary is a bonus of \$10,000 earned during the period she served as the Corporate Controller.

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The following table sets forth information regarding grants of plan-based awards to the Named Executive Officers during fiscal 2013:

GRANTS OF PLAN-BASED AWARDS — FISCAL 2013

| Name | Grant Date | Estimated future payouts under non-equity incentive plan awards ⁽¹⁾ | | | All other stock awards: number of shares of stock or units (#) ⁽²⁾ | All other option awards: number of securities underlying options (#) ⁽³⁾ | Exercise or base price of option awards ⁽⁴⁾ | Grant date fair value of stock and option awards ⁽⁵⁾ |
|----------------------|------------|--|-----------|-----------|---|---|--|---|
| | | Threshold | Target | Maximum | | | | |
| James B. Morgan | 8/23/2012 | \$48,544 | \$194,175 | \$233,010 | 2,270 | 11,350 | \$9.51 | \$58,271 |
| Sheila M. Anderson | 8/23/2012 | 18,563 | 74,250 | 89,100 | 800 | 4,000 | 9.51 | 20,536 |
| | 9/12/2012 | | | | 1,200 | 6,000 | 9.56 | 31,932 |
| William R. Retterath | 8/23/2012 | — | — | — | 2,160 | 10,800 | 9.51 | 55,447 |
| Aelred J. Kurtenbach | 8/23/2012 | 9,375 | 37,500 | 45,000 | — | — | — | — |
| Reece A. Kurtenbach | 8/23/2012 | 23,341 | 93,363 | 112,035 | 2,160 | 10,800 | 9.51 | 55,447 |
| Bradley T. Wiemann | 8/23/2012 | 22,529 | 90,118 | 108,141 | 2,160 | 10,800 | 9.51 | 55,447 |

(1) Consists of variable cash compensation under our annual non-equity-based incentive compensation plan. The amounts reflect the minimum payment level, if an award is achieved, the target payment level and the maximum payment level under the plan. For additional information concerning our annual non-equity-based compensation program, see the section of this proxy statement entitled “Compensation Discussion and Analysis.”

(2) Consists of restricted stock units granted to the Named Executive Officers in fiscal 2013 under the 2007 Plan. The units vest as to 20 percent of the shares one year after the date of grant and as to an additional 20 percent in each succeeding year, but only if the Named Executive Officer is then an employee of the Company.

(3) Consists of options granted to the Named Executive Officers in fiscal 2013 under the 2007 Plan. The options vest and become exercisable as to 20 percent of the shares one year after the date of grant and as to an additional 20 percent in each succeeding year, but only if the Named Executive Officer is then an employee of the Company.

(4) The exercise price of all options was equal to the closing price of the common stock as quoted on The NASDAQ Global Select Market on the date of grant.

(5) Represents the full grant date fair value determined pursuant to ASC 718 as reflected in our financial statements, based on the numbers of shares subject to the options and restricted stock unit awards granted and the closing price of the common stock as quoted on The NASDAQ Global Select Market on the date of grant, which was \$9.51 per share on August 23, 2012 and \$9.56 per share on September 12, 2012.

The following table sets forth information about unexercised options and restricted stock units that have not vested that were held at April 27, 2013 by the Named Executive Officers:

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END — FISCAL 2013

| Name | Option Awards ⁽¹⁾ | | | | Stock Awards | | |
|------|------------------------------|---|---|----------------------------|------------------------|--|---|
| | Grant Date | Number of Securities Underlying Unexercised Options (#) | Number of Securities Underlying Unexercised Options (#) | Option Exercise Price (\$) | Option Expiration Date | Number of Shares or Units of Stock that Have Not | Market Value of Shares or Units of Stock That |

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| | | Exercisable | Unexercisable | | | Vested (#) ⁽²⁾ | Have Not Vested (\$) ⁽³⁾ |
|-----------------|------------|-------------|---------------|--------|------------|---------------------------|-------------------------------------|
| James B. Morgan | 11/20/2003 | 20,000 | — | 8.850 | 11/19/2013 | — | — |
| | 11/23/2004 | 16,000 | — | 12.835 | 11/22/2014 | — | — |
| | 11/17/2005 | 14,000 | — | 13.595 | 11/16/2015 | — | — |
| | 11/16/2006 | 11,000 | — | 34.065 | 11/15/2016 | — | — |
| | 11/15/2007 | 11,000 | — | 20.070 | 11/14/2017 | — | — |
| | 12/04/2008 | 9,600 | 2,400 | 8.290 | 12/03/2018 | — | — |
| | 12/03/2009 | 7,200 | 4,800 | 8.650 | 12/02/2019 | — | — |
| | 12/02/2010 | 3,286 | 4,929 | 14.370 | 12/01/2020 | — | — |
| | 12/01/2011 | 2,300 | 9,200 | 9.240 | 11/30/2021 | — | — |
| | 08/23/2012 | — | 11,350 | 9.510 | 08/22/2022 | — | — |
| | | — | — | — | | 6,156 | 58,913 |

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| Name | Option Awards ⁽¹⁾ | | | | | Stock Awards | |
|----------------------|------------------------------|---|---|----------------------------|------------------------|--|---|
| | Grant Date | Number of Securities Underlying Unexercised Options (#) Exercisable | Number of Securities Underlying Unexercised Options (#) Unexercisable | Option Exercise Price (\$) | Option Expiration Date | Number of Shares or Units of Stock that Have Not Vested (#) ⁽²⁾ | Market Value of Shares or Units of Stock That Have Not Vested (\$) ⁽³⁾ |
| Sheila M. Anderson | 11/20/2003 | 1,200 | — | 8.850 | 11/19/2013 | — | — |
| | 11/23/2004 | 1,200 | — | 12.835 | 11/22/2014 | — | — |
| | 11/17/2005 | 2,000 | — | 13.595 | 11/16/2015 | — | — |
| | 11/16/2006 | 2,500 | — | 34.065 | 11/15/2016 | — | — |
| | 11/15/2007 | 4,000 | — | 20.070 | 11/14/2017 | — | — |
| | 12/04/2008 | 2,800 | 700 | 8.290 | 12/03/2018 | — | — |
| | 12/03/2009 | 2,100 | 1,400 | 8.650 | 12/02/2019 | — | — |
| | 12/02/2010 | 978 | 1,467 | 14.370 | 12/01/2020 | — | — |
| | 12/01/2011 | 800 | 3,200 | 9.240 | 11/30/2021 | — | — |
| | 08/23/2012 | — | 4,000 | 9.510 | 08/22/2022 | — | — |
| | 09/12/2012 | — | 6,000 | 9.560 | 08/22/2022 | — | — |
| | | | — | — | — | 3,214 | 30,758 |
| William R. Retterath | 11/20/2003 | 20,000 | — | 8.850 | 11/19/2013 | — | — |
| | 11/23/2004 | 14,000 | — | 12.835 | 11/22/2014 | — | — |
| | 11/17/2005 | 14,000 | — | 13.595 | 11/16/2015 | — | — |
| | 11/16/2006 | 10,000 | — | 34.065 | 11/15/2016 | — | — |
| | 11/15/2007 | 10,000 | — | 20.070 | 11/14/2017 | — | — |
| | 12/04/2008 | 8,800 | 2,200 | 8.290 | 12/03/2018 | — | — |
| | 12/03/2009 | 6,600 | 4,400 | 8.650 | 12/02/2019 | — | — |
| | 12/02/2010 | 3,004 | 4,506 | 14.370 | 12/01/2020 | — | — |
| | 12/01/2011 | 2,200 | 8,800 | 9.240 | 11/30/2021 | — | — |
| | 08/23/2012 | — | 10,800 | 9.510 | 08/22/2022 | — | — |
| | | | — | — | — | 5,793 | 55,439 |
| | Dr. Aelred J. Kurtenbach | | — | — | — | — | — |
| Reece A. Kurtenbach | 11/20/2003 | 12,000 | — | 8.850 | 11/19/2013 | — | — |
| | 11/23/2004 | 10,000 | — | 12.835 | 11/22/2014 | — | — |
| | 11/17/2005 | 10,000 | — | 13.595 | 11/16/2015 | — | — |
| | 11/16/2006 | 7,000 | — | 34.065 | 11/15/2016 | — | — |
| | 11/15/2007 | 9,000 | — | 20.070 | 11/14/2017 | — | — |
| | 12/04/2008 | 8,400 | 2,100 | 8.290 | 12/03/2018 | — | — |
| | 12/03/2009 | 6,300 | 4,200 | 8.650 | 12/02/2019 | — | — |
| | 12/02/2010 | 2,862 | 4,293 | 14.370 | 12/01/2020 | — | — |
| | 12/01/2011 | 2,100 | 8,400 | 9.240 | 11/30/2021 | — | — |
| | 08/23/2012 | — | 10,800 | 9.510 | 8/22/2022 | — | — |
| | | | — | — | — | 5,625 | 53,831 |
| | Bradley T. Wiemann | 11/20/2003 | 12,000 | — | 8.850 | 11/19/2013 | — |

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| | | | | | | |
|------------|--------|--------|--------|------------|-------|--------|
| 11/23/2004 | 10,000 | — | 12.835 | 11/22/2014 | — | — |
| 11/17/2005 | 10,000 | — | 13.595 | 11/16/2015 | — | — |
| 11/16/2006 | 7,000 | — | 34.065 | 11/15/2016 | — | — |
| 11/15/2007 | 9,000 | — | 20.070 | 11/14/2017 | — | — |
| 12/04/2008 | 8,400 | 2,100 | 8.290 | 12/03/2018 | — | — |
| 12/03/2009 | 6,300 | 4,200 | 8.650 | 12/02/2019 | — | — |
| 12/02/2010 | 2,862 | 4,293 | 14.370 | 12/01/2020 | — | — |
| 12/01/2011 | 2,100 | 8,400 | 9.240 | 11/30/2021 | — | — |
| 08/23/2012 | — | 10,800 | 9.510 | 08/22/2022 | — | — |
| | — | — | — | | 5,625 | 53,831 |

(1) All options vest in equal installments over five years and expire after 10 years.

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Restricted stock units vest as to 20 percent of the shares one year after date of grant and as to an additional 20 (2) percent in each succeeding year, but only if the Named Executive Officer is then an employee of the Company.

The grant date and the number of shares granted are as follows:

| | Grant Date | Shares Granted | | Grant Date | Shares Granted |
|----------------------|------------|-------------------|---------------------|------------|-------------------|
| James B. Morgan | 12/3/2009 | 2,400 | Sheila M. Anderson | 12/3/2009 | 700 |
| | 12/2/2010 | 1,810 | | 12/2/2010 | 490 |
| | 12/1/2011 | 2,300 | | 12/1/2011 | 800 |
| | 8/23/2012 | 2,270 | | 8/23/2012 | 800 |
| William R. Retterath | 12/3/2009 | 2,200 | Reece A. Kurtenbach | 9/12/2012 | 1,200 |
| | 12/2/2010 | 1,655 | | 12/3/2009 | 2,100 |
| | 12/1/2011 | 2,200 | | 12/2/2010 | 1,575 |
| | 8/23/2012 | 2,160 | | 12/1/2011 | 2,100 |
| Bradley T. Wiemann | 12/3/2009 | 2,100 | | 8/23/2012 | 2,160 |
| | 12/2/2010 | 1,575 | | | |
| | 12/1/2011 | 2,100 | | | |
| | 8/23/2012 | 2,160 | | | |

(3) Determined by multiplying the Company's closing stock price on the last business day of fiscal year 2013 by the number of shares subject to the award.

The following table sets forth information regarding the exercise of stock options by and the vesting of restricted stock award during fiscal 2013 for the Named Executive Officers:

OPTION EXERCISES AND STOCK VESTED – FISCAL 2013

| Name | Option Awards | | Stock Awards | |
|--------------------------|---|--|--|---|
| | Number of Shares Acquired on Exercise | Value Realized on Exercise ⁽¹⁾ | Number of Shares Acquired on Vesting | Value Realized on Vesting ⁽²⁾ |
| James. B. Morgan | — | \$— | 1,302 | \$ 13,715 |
| Sheila M. Anderson | — | — | 398 | 4,191 |
| William R. Retterath | — | — | 1,211 | 12,755 |
| Dr. Aelred J. Kurtenbach | — | — | — | — |
| Reece A. Kurtenbach | 14,000 | 52,465 | 1,155 | 12,165 |
| Bradley T. Wiemann | — | — | 1,155 | 12,165 |

(1) Consists of the difference between the closing price of our common stock on the date of exercise and the exercise price of the option multiplied by the number of shares acquired upon exercise.

(2) Consists of the number of shares vested times the market value of the stock as of the vesting date.

The following table sets forth information about our defined contribution plans for the two Named Executive Officers subject to such plans for fiscal 2013:

NON-QUALIFIED DEFERRED COMPENSATION – FISCAL 2013

| Name | Executive | Registrant | Aggregate | Aggregate Withdrawals/Distributions | Aggregate |
|--------------------------|---|---|---|--|---------------------------------------|
| | Contributions in Last Fiscal Year | Contributions in Last Fiscal Year | Earnings in Last Fiscal Year ⁽¹⁾ | | Balance at Last Fiscal Year End |
| James B. Morgan | — | — | \$841 | — | \$ 114,646 |
| Dr. Aelred J. Kurtenbach | — | — | \$3,331 | — | \$454,059 |

The amounts reported in this column are not included and are not required to be included in the Summary (1) Compensation Table because the earnings reported do not constitute above-market or preferential earnings on compensation that is deferred within the meaning of Item 402(c)(2)(viii)(B) of Regulation S-K.

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Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth certain information as of April 27, 2013 with respect to our equity compensation plans:

EQUITY COMPENSATION PLAN INFORMATION

| Plan category | Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights | Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights | Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) |
|--|---|---|---|
| | (a) | (b) | (c) |
| Equity compensation plans approved by security holders: | | | |
| 2001 Incentive Stock Option Plan | 1,082,983 | \$ 17.89 | — |
| 2001 Outside Director Stock Option Plan | 48,000 | 22.79 | — |
| Employee Stock Purchase Plan ⁽¹⁾ | Not Applicable | Not Applicable | 1,185,343 |
| 2007 Stock Incentive Plan | 2,289,599 | 11.36 | 798,051 |
| Equity compensation plans not approved by security holders | — | — | — |
| Total | 3,420,582 | \$ 13.59 | 1,983,394 |

(1) Under the ESPP, shares are acquired at the time of investment by the participating employees at the applicable discount.

Post-Employment Compensation

Potential Payments upon Termination of Employment or Change in Control

The table below reflects the compensation that would be paid to each of our Named Executive Officers in the event of termination of such executive's employment. The amounts shown assume that such termination was effective as of April 27, 2013, and include estimated amounts earned through such time, and are estimates of the amounts which would be paid out to the executives upon their termination. The actual amounts to be paid can be determined only at the time of such executive's separation from the Company. In addition, there may be re-negotiation of the payments upon any termination of employment or change in control.

Under the 2001 Plan and the 2007 Plan, all options and restricted stock units immediately vest upon a change in control, as that term is defined in the 2001 Plan and the 2007 Plan. Upon a termination of employment for any reason, and consistent with our employment policies which apply to all employees, we are obligated to pay for accrued and unused vacation time, which would then be payable in a lump sum.

| Name | Benefit | Termination due to change in control | Termination without cause or for good reason | Termination for cause or for good reason | Death |
|-----------------|--|--------------------------------------|--|--|-------|
| James B. Morgan | Stock option vesting acceleration ⁽¹⁾ | \$11,205 | \$— | \$— | \$— |
| | Restricted stock vesting acceleration | 58,913 | — | — | — |

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| | | | | | |
|--------------------|--|-----------|-----------|-----------|-----------|
| | Vacation pay | 35,101 | 35,101 | 35,101 | 35,101 |
| | Non-qualified deferred compensation | 114,646 | 114,646 | 114,646 | 114,646 |
| | | \$219,865 | \$149,747 | \$149,747 | \$149,747 |
| Sheila M. Anderson | Stock option vesting acceleration ⁽¹⁾ | \$3,540 | \$— | \$— | \$— |
| | Restricted stock vesting acceleration | 30,758 | — | — | — |
| | Vacation pay | 4,526 | 4,526 | 4,526 | 4,526 |
| | | \$38,824 | \$4,526 | \$4,526 | \$4,526 |

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| Name | Benefit | Termination due to change in control | Termination without cause or for good reason | Termination for cause or for good reason | Death |
|-------------------------------------|--|--------------------------------------|--|--|-----------|
| William R. Retterath ⁽²⁾ | Severance agreement compensation | \$— | \$301,242 | \$— | \$— |
| | Supplemental compensation payment | — | 15,000 | — | — |
| | Stock options and awards to vest | — | 35,606 | — | — |
| | Vacation pay and benefits | — | 29,470 | — | — |
| | | \$— | \$381,318 | \$— | \$— |
| Dr. Aelred J. Kurtenbach | Vacation pay | \$28,846 | \$28,846 | \$28,846 | \$28,846 |
| | Non-qualified deferred compensation | 454,059 | 454,059 | 454,059 | 454,059 |
| | | \$482,905 | \$482,905 | \$482,905 | \$482,905 |
| Reece A. Kurtenbach | Stock option vesting acceleration ⁽¹⁾ | \$9,972 | \$— | \$— | \$— |
| | Restricted stock vesting acceleration | 53,831 | — | — | — |
| | Vacation pay | 16,551 | 16,551 | 16,551 | 16,551 |
| | | \$80,354 | \$16,551 | \$16,551 | \$16,551 |
| Bradley T. Wiemann | Stock option vesting acceleration ⁽¹⁾ | \$9,972 | \$— | \$— | \$— |
| | Restricted stock vesting acceleration | 53,831 | — | — | — |
| | Vacation pay | 20,796 | 20,796 | 20,796 | 20,796 |
| | | \$84,599 | \$20,796 | \$20,796 | \$20,796 |

For option awards, consists of the difference between the closing market price of the common stock as reported on (1) The NASDAQ Global Select Market as of April 27, 2013 and the exercise price of the option multiplied by the number of shares subject to the option.

- On September 10, 2012, Mr. Retterath resigned from our Company. At the time of his resignation, Mr. Retterath was not party to any agreement or understanding that would have entitled him to any benefits. However, the (2) Company and Mr. Retterath entered into a Separation Agreement, as described in the Company's Current Report on Form 8-K dated October 7, 2012. Pursuant to the terms of the Separation Agreement, Mr. Retterath was entitled to an aggregate of \$381,318 in payments and benefits as follows:
- (a) a \$200,161 severance payment, payable in 26 bi-weekly installments, with total payments of \$118,450 received during fiscal 2013;
 - a \$100,081 severance payment, payable in 13 bi-weekly installments, beginning after the payments described in (a) have ceased, under the condition that Mr. Retterath has not obtained other full-time employment with any other employer;
 - (c) a \$15,000 supplemental compensation payment that was paid, upon Mr. Retterath's acceptance of the Separation Agreement;
 - additional or benefit payments included the following (i) the cash value of his accrued but unused vacation through (d) September 10 2012 for \$21,796, and (ii) amounts due under the Company benefit plan's or arrangement for a period of up to 18 months following September 10, 2012, which amounted to \$7,674 during fiscal 2013; and
 - (e) continued vesting of his outstanding option awards and restricted stock awards through December 31, 2013. The approximate value of his options that were in the money as of April 27, 2013 which either vested in the fiscal year

ended April 27, 2013 or after that date equaled \$11,262 based on the closing price of Company's common stock on April 27, 2013. The approximate value of the awards that vested during fiscal 2013, and for those stock awards that will vest after April 27, 2013, is based on the closing price of the Company's common stock as of such date.

Other Post-Employment Payments

We do not provide pension arrangements, post-retirement health coverage or non-qualified defined contribution plans.

Compensation Risk Analysis

The Compensation Committee has established the non-equity incentive program to be based on the same Company-wide measure for each executive. As previously described, the Committee has selected operating margin as the Company-wide measure. Basing the program on the same Company-wide measure for all the executives minimizes the risks associated with individual formulas based on individual actions. The non-equity incentive program is the only formula-based incentive-compensation program in the Company.

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AUDIT COMMITTEE REPORT

Notwithstanding anything to the contrary set forth in any of our previous or future filings under the Securities Act of 1933 or the Securities Exchange Act of 1934 that might incorporate future filings by reference, including this proxy statement, in whole or in part, the following report of the Audit Committee shall not be deemed to be incorporated by reference into any such filings and shall not otherwise be deemed filed under such acts.

The Audit Committee is responsible for reviewing our financial reporting process, systems of internal controls, the audit process and compliance with laws and regulations. Management has the responsibility for the financial statements and the reporting process, including the systems of internal controls, which it reviews with the Audit Committee. In this context, the Audit Committee has met and held discussions with management and our independent registered public accounting firm. The Audit Committee also has the authority and responsibility to select, evaluate and, when it deems it to be appropriate, replace the independent registered public accounting firm. The Audit Committee is also responsible for overseeing the Company's Policy and Procedures with Respect to Related Person Transactions.

The Audit Committee has established procedures for the receipt, retention and treatment of complaints received by us regarding accounting controls or auditing matters and the confidential, anonymous submission by our employees of any accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by our employees of any concerns regarding questionable accounting or auditing matters. The Audit Committee operates under a formal written charter that has been adopted by the Board of Directors and is available on the Company's website at <http://www.daktronics.com>.

The Audit Committee is composed of three Directors who are independent as provided in Rule 5605(a)(2) of the NASDAQ Listing Rules and Rule 10A-3 under the Exchange Act. The members of the Audit Committee are appointed annually by the Board of Directors. During fiscal 2013, John L. Mulligan, James A. Vellenga and Bruce W. Tobin served as members of the Audit Committee (except during period of September through November of 2012, when Mr. Tobin took special consultant assignment and Ms. Nancy Frame served temporarily as an Audit Committee member). The Audit Committee members are not professional accountants or auditors, and their role is not intended to duplicate or certify the activities of our management and our independent registered public accounting firm, nor can the Audit Committee certify that the independent registered public accounting firm is "independent" under applicable rules. The Audit Committee serves a Board-level oversight role in which it provides advice, counsel and direction to management and the independent registered public accounting firm on the basis of the information it receives, discussions with management and the independent registered public accounting firm, and the experience of the Audit Committee's members in business, financial and accounting matters.

The Audit Committee has reviewed and discussed with management our audited financial statements for the fiscal year ended April 27, 2013; discussed with management significant accounting policies applied by us in our financial statements, as well as alternative treatments; reviewed and discussed our policies with respect to risk assessment; discussed with our independent registered public accounting firm the matters required to be discussed by the Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1, AU section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T; discussed with our independent registered public accounting firm its respective audits and assessments, including internal control testing under Section 404 of the Sarbanes-Oxley Act of 2002; received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence; discussed with the independent registered public accounting firm the firm's independence; reviewed and pre-approved fees charged by the independent registered public accounting firm and considered whether the independent registered public accounting firm; provision of non-audit services to us is compatible with the

auditor's independence. The Audit Committee also met in executive session following each of the formal Audit Committee meetings with representatives of our independent registered public accounting firm.

The Committee has concluded that the independent registered public accounting firm is independent from the Company and its management. The Committee discussed with our independent registered public accounting firm the overall scope and plans for its audits. The Committee meets with the independent registered public accounting firm, with and without management present, to discuss the results of its examinations, the evaluations of our internal controls, and the overall quality of our financial reporting.

Based on the review and discussions described above, the Audit Committee recommended to the Board of Directors that our audited financial statements for the fiscal year ended April 27, 2013 be included in our Annual Report on Form 10-K for filing with the Securities and Exchange Commission.

By the Audit Committee:

John L. Mulligan, Chair
Bruce W. Tobin
James A. Vellenga

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HOUSEHOLDING OF ANNUAL DISCLOSURE DOCUMENTS

We have adopted a procedure called “householding,” which has been approved by the SEC. Under this procedure, we are delivering only one copy of our Annual Report, this Proxy Statement and our Notice of Internet Availability of Proxy Materials to multiple shareholders who have requested paper copies of the Annual Report and Proxy Statement who share the same address, unless we have received contrary instructions from one or more of the shareholders. Shareholders who participate in householding will continue to be able to access and receive separate proxy cards or voting instruction cards. In addition, some banks, brokers and other intermediaries may be participating in this practice of “householding” our Annual Report, this Proxy Statement and our Notice of Internet Availability of Proxy Materials. This practice benefits us and our shareholders because it reduces the volume of duplicate information received at a shareholder’s house and helps reduce our expenses.

Shareholders that have previously received a single set of our Annual Report, this Proxy Statement and our Notice of Internet Availability of Proxy Materials may request their own copies this fiscal year or in future years by contacting their bank, broker or other nominee record holder. We will also deliver separate paper copies of our Annual Report, this Proxy Statement and our Notice of Internet Availability of Proxy Materials to any shareholder upon written request sent to Daktronics, Inc., 201 Daktronics Drive, Brookings, South Dakota 57006, Attention: Investor Relations, or upon verbal request by calling (605) 692-0200.

AVAILABLE INFORMATION

The Annual Report to Shareholders for the fiscal year ended April 27, 2013, including financial statements, is being mailed with this Proxy Statement. The Annual Report to Shareholders is not incorporated in this Proxy Statement and is not deemed to be a part of this Proxy Statement.

The Annual Report to Shareholders for the fiscal year ended April 27, 2013 can also be accessed on our website at <http://www.daktronics.com> by selecting “Investors” then “Annual Report and Proxy” under “Shareholder Tools.” Any person whose proxy is solicited by this Proxy Statement will be provided, upon request and without charge, with a copy of our Annual Report on Form 10-K for the fiscal year ended April 27, 2013. Please submit such requests to Daktronics, Inc., 201 Daktronics Drive, Brookings, South Dakota 57006, Attention: Investor Relations, or by calling (605) 692-0200.

By Order of the Board of Directors,

Carla S. Gatzke
Secretary

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