LINDSAY CORP
Form DEF 14A
December 18, 2013
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SCHEDULE 14A INFORMATION

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 Rule 14a-11(c) or Rule 14a-12

Lindsay Corporation

(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)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 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:

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¨ 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:

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LINDSAY CORPORATION

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

January 27, 2014

The Annual Meeting of Stockholders of Lindsay Corporation (the Company) will be held at the Company s corporate offices at 2222 North 111th Street, Omaha, Nebraska, on Monday, on January 27, 2014, at 8:30 a.m., Central Standard Time, for the following purposes:

(1) To elect two (2) directors for terms ending in 2017.

(2) To ratify the appointment of KPMG LLP as the Company s independent registered public accounting firm for the fiscal year ending August 31, 2014.

(3) To take a non-binding vote on a resolution to approve the compensation of the Company s most highly paid executive officers.

(4) To reapprove the Lindsay Corporation Management Incentive Umbrella Plan previously approved by stockholders on January 26, 2009.

(5) To transact such other business as may properly come before the meeting or any adjournment or adjournments thereof.

A Proxy Statement setting forth important information with respect to each of the matters being submitted to the stockholders is enclosed with this Notice of Annual Meeting.

Only stockholders holding shares of the Company s common stock of record at the close of business on December 2, 2013 are entitled to notice of, and to vote at, the Annual Meeting. The Board of Directors is soliciting proxies to vote on behalf of all stockholders, whether or not they expect to be present at the Annual Meeting. Each stockholder is encouraged to vote by proxy on the internet or by telephone as instructed on the enclosed proxy card or by completing the enclosed proxy card and mailing it in the return envelope enclosed for that purpose. Even if you vote by proxy on the internet, by telephone or by mail, you may revoke your proxy at any time prior to the Annual Meeting, and stockholders who are present at the Annual Meeting may withdraw their proxies and vote in person.

By Order of the Board of Directors

/s/ Eric R. Arneson
Eric R. Arneson, Secretary

Omaha, Nebraska

December 18, 2013

IMPORTANT: THE PROMPT RETURN OF PROXIES WILL SAVE THE COMPANY THE EXPENSE OF FURTHER SOLICITATION FOR PROXIES TO ENSURE A QUORUM AT THE ANNUAL MEETING.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held on January 27, 2014. The Proxy Statement for this Annual Meeting and Annual Report are available online at http://www.lindsayannualmeeting.com.

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PROXY STATEMENT SUMMARY

This Proxy Statement Summary is furnished to assist in your review of the matters to be acted upon at the Annual Meeting of Stockholders. The following information is only a summary, and you should read the entire Proxy Statement before voting. For more complete information on these topics, please review our Annual Report on Form 10-K for the fiscal year ended August 31, 2013 and this Proxy Statement.

Voting Items

		Board Recommendation	Pages
Proposal 1	Election of two (2) directors	FOR all nominees	3-26
Proposal 2	Ratification of appointment of independent registered public accounting firm for fiscal 2014	FOR	27
Proposal 3	Advisory vote on executive compensation	FOR	28
Proposal 4	Approval of Management Incentive Umbrella Plan	FOR	29-30

Fiscal 2013 Highlights

Fiscal 2013 was a record year for our Company. The Company had many significant achievements in fiscal 2013 as we continued to execute on our strategic plan. Key highlights include the following:

Led by significant growth in both U.S. and international irrigation equipment sales, the Company achieved **record levels of revenue and earnings in fiscal 2013**. Total revenues for the fiscal year ended August 31, 2013 reached $690.8 million, a 25% increase from the previous Company record of $551.3 million in fiscal 2012. Net earnings increased to $70.6 million, a 63% increase from $43.3 million in fiscal 2012.

Fiscal 2013 performance exceeded the top end of the range of our stated long-term financial goals. Revenue growth was 25%, compared to a long-term financial goal of 10-15%. Operating margin was 15% compared to a long-term financial goal of 9-14%. Return on Net Assets was 19%, compared to a long-term financial goal of 9-15%.

In fiscal 2013, our Board of Directors voted for an **increase in the regular quarterly cash dividend by 13% to an annual indicated rate of $0.52 per share**. This marks our eleventh consecutive year of dividend increases.

In August 2013, **the Company acquired Claude Laval Corporation**, the manufacturer and marketer of the highly regarded Lakos brand of filters and separators. Its line of filtration products fits well with our efficient irrigation product solutions and adds an additional growth path in industrial filtration and water use efficiency applications.

In fiscal 2013, **we brought to market FieldNET® 3.0, the latest version of our award-winning web-based control product**. FieldNET® 3.0 features a patent-pending user interface that integrates pivot and pump controls, soil moisture stations and weather stations, thus reducing energy costs, downtime risk and irrigation waste.

Due to the breadth of our product lines and our range of value-added services (which have been enhanced significantly in recent years through strategic acquisitions and organic growth initiatives), we are able to offer **integrated solutions that differentiate us from competitors in the marketplace**. Utilizing these capabilities, **the Company made project solution sales for a number of large agricultural projects in fiscal 2013**, including projects in Russia, Sudan and Iraq.

Utilizing an independent, third-party search firm, the Company added Robert E. Brunner to its Board of Directors. Mr. Brunner s strong background in business management and development, international markets and acquisitions, combined with his corporate governance experiences serving on public company boards, further enhanced our Board s strategic capability and stockholder advocacy.

The Company further **strengthened the balance sheet due to excellent operational performance in a robust market**, creating further flexibility to support organic growth, global expansion, capacity expansion, and acquisition of synergistic water-related businesses; and to enhance returns to shareholders through dividend increases and opportunistically repurchasing company stock.

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LINDSAY CORPORATION

PROXY STATEMENT

for

2014 ANNUAL MEETING OF STOCKHOLDERS

This Proxy Statement is furnished in connection with the solicitation of proxies for use at the Annual Meeting of Stockholders of Lindsay Corporation (the Company) to be held on Monday, January 27, 2014, at the time and place and for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders. Only record holders of the Company s common stock at the close of business on December 2, 2013 are entitled to vote at the Annual Meeting.

The accompanying proxy is solicited on behalf of the Board of Directors of the Company and is revocable at any time before it is exercised by written notice of revocation delivered to the Secretary of the Company or by filing a later dated proxy with him. Furthermore, stockholders who are present at the Annual Meeting may withdraw their proxies and vote in person. All shares of the Company s common stock represented by properly executed and unrevoked proxies will be voted by the Board of Directors of the Company in accordance with the directions given therein. Where no instructions are indicated, proxies will be voted in accordance with the recommendation of the Board of Directors with respect to each of the proposals set forth in this Proxy Statement for consideration at the Annual Meeting. Shares of common stock entitled to vote and represented by properly executed, returned and unrevoked proxies will be considered present at the Annual Meeting for purposes of establishing a quorum, including shares with respect to which votes are withheld, abstentions are cast or there are broker non-votes.

The principal executive offices of the Company are located at 2222 North 111th Street, Omaha, Nebraska 68164.

This Proxy Statement and the proxy cards are first being mailed to stockholders on or about December 18, 2013.

Voting Securities and Beneficial Ownership

Thereof by Principal Stockholders, Directors and Officers

At the record date, there were 12,922,029 shares of the Company s common stock issued and outstanding. Each share of common stock is entitled to one vote upon each matter to be voted on at the Annual Meeting. There is no cumulative voting with respect to the election of directors.

The following table sets forth, as of December 2, 2013, the beneficial ownership of the Company s common stock by each director, by each nominee to become a director, by each of the executive officers named in the Summary Compensation Table (the Named Executive Officers), and by all current executive officers and directors of the Company as a group. The shares beneficially owned by executive officers and directors of the Company represent approximately 2.4% of the total shares outstanding on the record date and entitled to vote at the Annual Meeting. The Board of Directors believes that all of these shares will be present at the Annual Meeting and will be voted in accordance with the recommendation of the Board of Directors with respect to each proposal being considered at the Annual Meeting. In addition, executive officers, directors and nominees to become a director are deemed to beneficially own shares which they may acquire upon the exercise of vested stock options or options that will vest within 60 days of the record date. These shares are not outstanding and may not be voted at the Annual Meeting. The following table also sets forth the beneficial ownership of the Company s common stock by each other stockholder believed by the Company to beneficially own more than 5% of the outstanding shares of the Company s common stock based on a review of reports on Schedule 13D and Schedule 13G filed with the Securities and Exchange Commission with respect to the Company s common stock.

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Name	Number of Shares Beneficially Owned[1]	Percent of Class
Directors and Executive Officers		
Howard G. Buffett, Director	30,177	*
Robert E. Brunner, Director	456	*
Michael N. Christodolou, Director and Chairman of the Board	22,340	*
W. Thomas Jagodinski, Director	4,414	*
J. David McIntosh, Director	9,094[2]	*
Michael C. Nahl, Director	7,094	*
Michael D. Walter, Director	6,114	*
William F. Welsh II, Director	17,094	*
Richard W. Parod, Director, President and Chief Executive Officer	186,496[3]	1.4%
James C. Raabe, Vice President and Chief Financial Officer	4,795[3]	*
David B. Downing, President Agricultural Irrigation Division	24,642[3]	*
Barry A. Ruffalo, President Infrastructure Division	11,378[3]	*
Steven S. Cotariu, President Infrastructure Business[4]	8,811[3]	*
All current executive officers and directors as a group (12 persons) [4]	324,094[3]	2.5%
Other Stockholders		
BlackRock, Inc. [5]	1,322,131	10.2%
Neuberger Berman Group LLC [6]	1,289,798	10.0%
Invesco Ltd. [7]	938,477	7.3%
Vanguard Group, Inc. [8]	749,630	5.8%

* Represents less than 1% of the outstanding shares of the Company s common stock.

(1) Each stockholder not shown as being part of a group owns all outstanding shares directly and has sole voting and investment power over such shares, or shares such power with a spouse.

(2) Includes 6,094 shares of the Company s common stock pledged as security for a bank loan.

(3) Includes 7,448; 2,085; 1,490; 1,490; 1,490 and 12,513 shares which may be acquired currently or within 60 days of December 2, 2013 pursuant to the exercise of options by Messrs. Parod, Raabe, Downing, Ruffalo, Cotariu, and the current executive officers and directors as a group, respectively.

(4) Mr. Cotariu s employment with the Company terminated on November 15, 2013. His shares are not included in the All current executive officers and directors as a group calculation.

(5) The address for this stockholder is 40 East 52nd Street, New York, NY 10022.

(6) The address for this stockholder is 605 Third Avenue, New York, NY 10158-3698.

(7) The address for this stockholder is 1555 Peachtree Street NE, Atlanta, GA 30309.

(8) The address for this stockholder is PO Box 2600, V26, Valley Forge, PA 19482-2600.

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Section 16(a) Beneficial Ownership

Reporting Compliance

The rules of the Securities and Exchange Commission require the Company to disclose the identity of directors and executive officers and of beneficial owners of more than 10% of the Company s common stock who did not file on a timely basis reports required by Section 16 of the Securities Exchange Act of 1934, as amended. Based solely on review of copies of those reports received by the Company, or written representations from reporting persons, the Company believes that all directors, executive officers and 10% beneficial owners complied with all filing requirements applicable to them during the Company s fiscal year ended August 31, 2013.

PROPOSAL 1

ELECTION OF DIRECTORS

The Company s Certificate of Incorporation requires that the Board of Directors be divided into three classes that are elected to the Board on a staggered basis for three year terms. At the Annual Meeting, the terms of three directors will terminate and stockholders will be voting on nominees to fill two of these three positions on the Board. The third directorship has been eliminated as a result of a decision to reduce the total number of directors constituting the entire Board of Directors from nine to eight. Accordingly, the Board of Directors, upon recommendations made by the Corporate Governance and Nominating Committee, has nominated Michael N. Christodolou and W. Thomas Jagodinski to serve as directors for terms ending in 2017. Messrs. Christodolou and Jagodinski are current directors of the Company serving for terms expiring as of the date of the Annual Meeting. J. David McIntosh, the other director whose term expires as of the date of the Annual Meeting, has advised the Company that he will retire from the Board upon the expiration of his current term. Both Messrs. Christodolou and Jagodinski have expressed an intention to serve, if elected, and the Board of Directors knows of no reason why either of them might be unavailable to continue to serve, if elected. There are no arrangements or understandings between Messrs. Christodolou and Jagodinski and any other person pursuant to which they were nominated to serve on the Board of Directors.

The election of a director requires the affirmative vote of a plurality of the shares present in person or represented by proxy at the meeting and entitled to vote. Consequently, votes withheld and broker non-votes with respect to the election of directors will have no impact on the election of directors. If either of Messrs. Christodolou or Jagodinski is unable to serve, the shares represented by all valid proxies will be voted for the election of such substitute nominee as the Corporate Governance and Nominating Committee may recommend to the Board of Directors.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE ELECTION OF MESSRS. CHRISTODOLOU AND JAGODINSKI AS DIRECTORS OF THE COMPANY WITH TERMS ENDING IN 2017.

Board of Directors and Committees

The following sets forth certain information regarding the directors of the Company, including the two directors who have been nominated to serve for new terms expiring in 2017. Information is also provided concerning each director s specific experience, qualifications, attributes or skills that led the Board of Directors to conclude that each of them should serve as a director of the Company. The Board of Directors has determined that each of Messrs. Buffett, Brunner, Christodolou, Jagodinski, Nahl, Welsh, and Walter are independent directors of the Company under the listing standards adopted by the New York Stock Exchange.

NOMINEES FOR ELECTION Terms to expire in 2017

Michael N. Christodolou, age 52, is the Manager of Inwood Capital Management, LLC, an investment management firm he founded in 2000. From 1988 to 1999, Mr. Christodolou was employed by Barbnet Investment Co., formerly Taylor & Co., an investment consulting firm providing services to certain entities associated with members of the Bass family of Fort Worth, Texas. Mr. Christodolou previously served on the Board of Directors of XTRA Corporation from 1998 until 2001 when it was acquired by Berkshire Hathaway Inc. Mr. Christodolou has been a director of the Company since 1999 and currently serves as the Chairman of the Board of Directors. He is also the Chairman of the Company s Corporate Governance and Nominating Committee and serves as a member of both the Audit Committee and the Compensation Committee. Mr. Christodolou has over 30 years of experience in

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investment management and working with the management teams and boards of public companies on matters including corporate strategy, capital structure and mergers and acquisitions. His knowledge of the investment and capital markets and his experience as a director of public companies provide him with the relevant experience to serve on the Company s Board of Directors. These experiences have given Mr. Christodolou an understanding of accounting principles, internal controls and audit committee functions; as a result the Board has determined that he qualifies as an audit committee financial expert.

W. Thomas Jagodinski, age 57, is the retired President and Chief Executive Officer of Delta and Pine Land Company, a leader in the cotton seed industry. Mr. Jagodinski was President, Chief Executive Officer and Director of Delta and Pine Land Company from September 2002 until June 2007 when the company was acquired by another company. From 1991 to 2002, he served in various executive roles at Delta and Pine Land Company including Senior Vice President, Chief Financial Officer and Treasurer. Mr. Jagodinski currently serves on the Board of Directors and as Audit Committee Chair of Quinpario Acquisition Corp. and as Chairman of the Board of Directors of Phosphate Holdings, Inc. Mr. Jagodinski previously served on the Board of Directors and as the Chairman of the Audit Committee of Solutia Inc. from 2008 to 2012 when the company was acquired by another company. Mr. Jagodinski has been a director of the Company since 2008 and is the Chairman of the Audit Committee. Mr. Jagodinski s experience in public accounting and as a chief executive officer, chief financial officer and director of public companies, along with his experience in risk management and compliance oversight, provide him with the relevant experience to serve on the Company s Board of Directors. These experiences have given Mr. Jagodinski an understanding of accounting principles, internal controls and audit committee functions; as a result the Board has determined that he qualifies as an audit committee financial expert.

DIRECTORS CONTINUING IN OFFICE

Robert E. Brunner, age 56, was appointed to the Board of Directors in June 2013 and will serve for a term expiring in 2015. Mr. Brunner was the Executive Vice President of Illinois Tools Works, Inc., a diversified manufacturer of advanced industrial technology, from 2006 until his retirement in 2012. Prior to that position, Mr. Brunner was President, Global Automotive Fasteners from 2005 to 2006 and President, North American Automotive Fasteners from 2003 to 2005. Prior to that, Mr. Brunner held a variety of positions within Illinois Tools Works, Inc. including general management, operations management and sales & marketing. Mr. Brunner currently serves on the board of directors of Leggett & Platt, Inc. and NN, Inc. Mr. Brunner has been a director of the Company since 2013 and is a member of the Compensation Committee. Mr. Brunner s extensive experience in business management and development, international operations and mergers and acquisitions provide him with the relevant experience to serve on the Company s Board of Directors.

Richard W. Parod, age 60 (current term to expire in 2015), is the President and Chief Executive Officer of the Company, a position he has held since April 2000. Prior to joining the Company, Mr. Parod served as the Vice President and General Manager of Toro Irrigation, a division of The Toro Company, from 1997 to March 2000. From 1993 to 1997, he was an executive officer of James Hardie Irrigation, serving as President of that company from 1994 to 1997. Mr. Parod has also been a director of the Company since 2000 and is the only executive officer of the Company serving on the Board of Directors. As the Company s chief executive for the past 13 years, Mr. Parod has gained an extensive knowledge of the Company s operations and lines of business, its long-term strategies and domestic and international growth opportunities which provide him with the relevant experience to serve on the Company s Board of Directors.

Michael D. Walter, age 64 (current term to expire in 2015), is the President of Mike Walter & Associates, a risk management consulting firm providing strategic guidance in general business and economic trends. Prior to forming Mike Walter & Associates in 2006, Mr. Walter served in various leadership positions with ConAgra Foods, a large agribusiness conglomerate headquartered in Omaha, Nebraska, including his most recent position of Senior Vice President, Economic & Commercial Affairs. Mr. Walter also serves on the Board of Directors of AgroTech Foods and Richardson International. Mr. Walter previously served on the Board of Directors of the Chicago Board of Trade from 2000 until 2007. Mr. Walter has been a director of the Company since 2009 and is a member of the Audit Committee, Compensation Committee and Corporate Governance and Nominating Committee. Through his experience as a senior executive at ConAgra Foods and as a director of various companies in the agribusiness and commodities markets, Mr. Walter has gained significant experience in risk management oversight, strategic development and management of public and governmental affairs, all of which provide him with the relevant experience to serve on the Company s Board of Directors. These experiences have given Mr. Walter an understanding of accounting principles, internal controls and audit committee functions; as a result the Board has determined that he qualifies as an audit committee financial expert.

Howard G. Buffett, age 59 (current term to expire in 2016), is the President of Buffett Farms, a commercial farming operation, and Chairman and CEO of the Howard G. Buffett Foundation, a private charitable foundation. From 1996 to 2001, Mr. Buffett served as Chairman of the Board of Directors of The GSI Group, a manufacturer of steel farm bins, commercial storage grain bins and grain silos. Prior to that time, he was the Corporate Vice President, Assistant to the Chairman and a director of the Archer Daniels Midland Company. Mr. Buffett currently serves as a director of Berkshire Hathaway, Inc. and The Coca-Cola Company and has previously served on the Board of Directors of ConAgra Foods, Inc., Coca-Cola Enterprises Inc. and AgroTech Foods. Mr. Buffett also serves as a United Nations Ambassador Against Hunger and as trustee of various non-profit organizations. Mr. Buffett has been a director of the Company since 1995 and is a member of the Corporate Governance and Nominating Committee. Mr. Buffett s extensive board experience and his philanthropic experience with numerous humanitarian and environmental conservation projects, along with his knowledge of farming operations and broad international socio-economic issues, provide him with the relevant experience to serve on the Company s Board of Directors.

Michael C. Nahl, age 71 (current term to expire in 2016), is the retired Executive Vice President and Chief Financial Officer of Albany International Corp., the world s largest manufacturer of custom-designed engineered fabrics called paper machine clothing. Mr. Nahl joined Albany International Corp. in 1981 as Group Vice President, Corporate, served as Senior Vice President and Chief Financial Officer from 1983 to 2005 and was appointed as Executive Vice President in 2005. Mr. Nahl retired as Executive Vice President and Chief Financial Officer of Albany International Corp. in September 2009. Mr. Nahl currently serves as a director of Trans World Entertainment Corporation. Mr. Nahl has been a director of the Company since 2003 and is a member of the Audit Committee. Mr. Nahl s experience as a senior financial executive of a multinational public company and previously as chairman of the audit committee of two public companies (Lindsay Corporation and GrafTech International Ltd.), along with his knowledge of international operations and foreign currency exchange rate risks, provide him with the relevant experience to serve on the Company s Board of Directors. These experiences have given Mr. Nahl an understanding of accounting principles, internal controls and audit committee functions; as a result the Board has determined that he qualifies as an audit committee financial expert.

William F. Welsh II, age 72 (current term to expire in 2016), is the retired Chairman of Election Systems & Software, Inc., a provider of specialized election equipment and software. Mr. Welsh served as President and Chief Executive Officer of Election Systems & Software, Inc. from 1995 to 2002. From 2000 to 2003, Mr. Welsh served as Chairman of the Board of Directors of Election Systems & Software. Mr. Welsh currently serves as the Chairman of the Board of Directors of Ballantyne Strong Inc. Mr. Welsh has been a director of the Company since 2001 and serves as the Chairman of the Compensation Committee. He is also a member of the Audit Committee and the Corporate

Governance and Nominating Committee. Mr. Welsh s prior executive level leadership experience and chief executive officer experience, along with his extensive knowledge of the irrigation and infrastructure markets, provide him with the relevant experience to serve on the Company s Board of Directors. These experiences have given Mr. Welsh an understanding of accounting principles, internal controls and audit committee functions; as a result the Board has determined that he qualifies as an audit committee financial expert.

Information regarding executive officers of the Company is found in the Company s Annual Report which has been supplied with this Proxy Statement.

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Corporate Governance

The Board of Directors operates pursuant to the provisions of the Company s Certificate of Incorporation and Bylaws as well as a set of Corporate Governance Principles which address a number of items, including the qualifications for serving as a director, the responsibilities of directors and board committees and the compensation of directors. The Company has adopted a Code of Ethical Conduct that applies to the Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer and Corporate Controller, as required by Section 406 of the Sarbanes-Oxley Act of 2002. Additionally, the Company maintains a Code of Business Conduct and Ethics for all persons associated with the Company, including its directors, officers and employees, that complies with the listing standards adopted by the New York Stock Exchange. Both of these codes and the Company s Corporate Governance Principles are available on the Company s website at http://www.lindsay.com and are available in print to any stockholder who submits a request in writing to the Secretary of the Company.

The Board of Directors conducts its business through meetings and actions taken by written consent in lieu of meetings. During the fiscal year ended August 31, 2013, the Board of Directors held nine meetings. Each director attended at least 75% of the meetings of the Board of Directors and of the committees of the Board of Directors on which he served during fiscal 2013.

The Company s independent directors normally meet in executive session at each regularly scheduled Board meeting. The Chairman of the Board, currently Mr. Christodolou, an independent director, serves as the presiding director at each executive session of the independent directors.

Board Leadership Structure

The Company s Corporate Governance Principles provide that the position of Chairman of the Board of Directors be held by an independent director and, accordingly, the same individual cannot serve as both the Chairman of the Board and as the Company s Chief Executive Officer. This policy is designed to facilitate the ability of the Board of Directors to perform the important functions of providing independent oversight of management and to address risks faced by the Company. This policy also allows the Chairman to convene executive sessions with independent directors without the need for a separate director to discharge the role of a presiding director.

Board s Role in Risk Oversight

Management has the primary responsibility for identifying and managing the risks to which the Company is subject, under the oversight of the Board of Directors. Among other things, the Board of Directors considers risks presented by business strategy, competition, regulation, compensation plans, global economic conditions, general industry trends including the disruptive impact of technological change, capital structure and allocation, and mergers and acquisitions. The Board of Directors as a whole has the primary responsibility for performing this oversight function. The Company s three standing committees are also responsible for the assessment of risks associated with the general subject matters for which those standing committees have responsibility. The Board s risk oversight process includes close interaction with the Company s internal auditor and is facilitated by an annual risk assessment prepared by management. The Company has engaged the accounting firm of Deloitte & Touche LLP to assist in the design of the Company s overall internal audit plan and to perform certain internal audit services to supplement the Company s internal auditor. Deloitte & Touche LLP provides regular updates to the Audit Committee regarding its services and testing results. The goal of the Board s risk evaluation process is to identify any activities that create risks that may not be appropriate for the Company, quantify the magnitude of these risks and work with management to develop a plan to mitigate these risks.

Committees of the Board of Directors

The Board of Directors has established an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee.

Audit Committee. The primary purpose of the Audit Committee is to assist the Board of Directors in the oversight of (i) the integrity of the Company s financial statements, (ii) the Company s compliance with legal and regulatory requirements, (iii) the independent auditor s qualifications and independence, and (iv) the performance of the Company s internal audit function. The Audit Committee is responsible for selecting, compensating and

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evaluating the Company s independent auditor. Specific functions performed by the Audit Committee include reviewing periodically with the independent auditor the performance of the services for which they are engaged, reviewing the scope of the annual audit and its results, reviewing the Company s annual financial statements and quarterly financial statements with management and the independent auditor, reviewing the scope and results of the Company s internal auditing function, and reviewing the adequacy of the Company s internal accounting controls with management and the independent auditor. The Audit Committee operates under a written charter adopted by the Board of Directors which is available on the Company s website at http://www.lindsay.com and is available in print to any stockholder who submits a request in writing to the Secretary of the Company. The charter meets the requirements of the listing standards adopted by the New York Stock Exchange.

The Audit Committee is comprised of Directors Jagodinski (Chairman), Christodolou, Nahl, Walter and Welsh, each of whom has been determined to be independent by the Board of Directors under the rules of the Securities and Exchange Commission and under the listing standards adopted by the New York Stock Exchange. In addition, the Board of Directors has determined that each of Messrs. Christodolou, Jagodinski, Nahl, Walter and Welsh qualify as an audit committee financial expert under the rules of the Securities and Exchange Commission. The Committee held ten meetings during fiscal 2013.

Compensation Committee. The Compensation Committee reviews and approves the Company s compensation policies, benefit plans, employment agreements, salary levels, bonus payments, and awards pursuant to the Company s management incentive plans for its executive officers and other elected officers. The Compensation Committee approves all individual grants and awards under the Company s long-term equity incentive plans. It also reviews compensation for non-employee directors and recommends changes to the Board. The Compensation Committee is specifically responsible for determining the compensation of the Company s Chief Executive Officer and conducts an annual performance evaluation of the Chief Executive Officer. The Company s Chief Executive Officer makes recommendations to the Compensation Committee regarding the compensation paid to executive officers and other elected officers. However, the final authority for setting executive officer compensation rests with the Compensation Committee. The Compensation Committee has the discretion to delegate specific responsibilities to the Committee Chair, any other Committee member(s) or subcommittees as the Compensation Committee may establish from time to time.

The Compensation Committee has periodically retained external compensation consulting firms to assist and advise it on particular matters. For fiscal 2013, the Company received compensation consulting services from Farient Advisors LLC (Farient). Farient was engaged directly by the Compensation Committee, but their fees were paid by the Company. The nature and scope of Farient s engagement with respect to the Compensation Committee s decisions regarding executive and director compensation are described under Compensation Discussion and Analysis found later in this Proxy Statement.

The Compensation Committee operates under a written charter adopted by the Board of Directors which is available on the Company s website at http://www.lindsay.com and is available in print to any stockholder who submits a request in writing to the Secretary of the Company. The charter meets the requirements of the listing standards adopted by the New York Stock Exchange. The Compensation Committee is currently comprised of Directors Welsh (Chairman), Brunner, Christodolou, McIntosh and Walter, each of whom has been determined to be independent by the Board of Directors under the listing standards adopted by the New York Stock Exchange. Mr. McIntosh will resign from the Compensation Committee on January 27, 2014 when his current term as a director expires. The Committee held six meetings during fiscal 2013.

Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee is responsible for making recommendations to the Board of Directors of persons to serve as directors of the Company and as chairmen and members of committees of the Board of Directors and for reviewing and recommending changes in the general Corporate Governance Principles of the Company. It also oversees the annual evaluation by the Board of Directors to determine whether the Board and its committees are functioning effectively. The Corporate Governance and Nominating Committee operates under a written charter adopted by the Board of Directors which is available on the Company s website at http://www.lindsay.com and is available in print to any stockholder who submits a request in writing to the Secretary of the Company. The charter meets the requirements of the listing standards adopted by the New York Stock Exchange.

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The Corporate Governance and Nominating Committee identifies nominees to serve as a director of the Company through a combination of suggestions made by directors and stockholders and through independent search firms. In January 2013, the Corporate Governance and Nominating Committee engaged SpencerStuart to conduct a search for a new independent director. This search resulted in the addition of Robert E. Brunner to the Board in June 2013. The Corporate Governance and Nominating Committee will consider director nominees for the 2015 Annual Meeting recommended by stockholders which are submitted in writing, complete with biographical and business experience information regarding the nominee, to the Secretary of the Company by August 20, 2014. Candidates for directors are evaluated based on their independence, character, judgment, diversity of experience, financial or business acumen, ability to represent and act on behalf of all stockholders, and the needs of the Board. The Corporate Governance and Nominating Committee does not have a formal policy on diversity with regard to consideration of director nominees, but the Corporate Governance and Nominating Committee considers diversity in its selection of nominees and seeks to have a Board that reflects a diverse range of views, backgrounds and experience. The Corporate Governance and Nominating Committee uses the same criteria to evaluate its own nominees for director as it does for persons nominated by Company stockholders.

The Corporate Governance and Nominating Committee is currently comprised of Directors Christodolou (Chairman), Buffett, McIntosh, Walter and Welsh, each of whom has been determined to be independent by the Board of Directors under the listing standards adopted by the New York Stock Exchange. Mr. McIntosh will resign from the Compensation Committee on January 27, 2014 when his current term as a director expires. The Committee held three meetings during fiscal 2013.

Related Party Transactions.

The Board of Directors has adopted a written policy regarding the review, approval or ratification of related party transactions. Under the policy, all such related party transactions must be pre-approved by the Audit Committee or ratified by the Audit Committee if pre-approval is impracticable. Under the policy, certain transactions are excluded from the definition of related party transaction, including (i) transactions available to all employees generally, (ii) director and officer compensation approved by the Compensation Committee and/or Board of Directors, as applicable, (iii) transactions in the ordinary course of the Company s business that are on substantially the same terms as those prevailing at the time for comparable products and services to unrelated third parties, and (iv) certain transactions with other companies where the related party s only relationship is as an employee (other than an executive officer), director or beneficial owner of less than 5% of that company s shares, if the aggregate amount involved during the fiscal year does not exceed the greater of $1,000,000 or 2% of that company s total annual revenues. In determining whether to approve or ratify a related party transaction, the Audit Committee will consider, among other factors, whether the terms of the transaction are fair to the Company, whether the transaction would present an improper conflict of interest for any director, officer or other related party, or whether the transaction would impair the independence of an outside director. Any Audit Committee member who has an interest in a transaction under discussion must abstain from voting on the proposed transaction.

Since the beginning of fiscal 2013, The Howard G. Buffett Foundation, a private charitable foundation of which Howard Buffett is Chairman and CEO, has purchased $207,424 of irrigation equipment from the Company. These transactions were at prices in accordance with the Company s pricing policy for qualifying charitable, nonprofit, educational and research organizations.

Compensation Discussion and Analysis

Compensation Philosophy and Overview. The overall goal of the Company s compensation policy is to maximize stockholder value by attracting, retaining and motivating the executive officers that are critical to its long-term success. The Board s Compensation Committee (the Committee) believes that executive compensation should be designed to promote both the short-term and long-term economic goals of the Company. Accordingly, an important component of the Committee s compensation philosophy is to closely align the financial interests of the Company s executive officers with those of the Company s stockholders. The Board of Directors and the Committee take several measures to monitor this degree of alignment, which include conducting a non-binding say on pay vote at each annual meeting of the Company s stockholders. Stockholders have approved the non-binding say on pay resolution by a vote of more than 97% of the votes cast on this proposal at each of the Company s last three annual meetings held in 2011, 2012 and 2013. While the Committee considered the 2011, 2012 and 2013 say on pay voting results in establishing fiscal 2013 and fiscal 2014 compensation, respectively, no specific actions were deemed necessary as the Committee believed the results of the 2011, 2012 and 2013 say on pay votes were a confirmation that stockholders were in general agreement with the Committee s compensation philosophy. The Committee will continue to consider the say on pay voting results and other feedback provided from the Company s stockholders when making future compensation decisions concerning the Company s executive officers.

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In order to implement its compensation philosophy, the Committee has determined that the total compensation program for executive officers should consist of the following components:

- Base salaries to reflect responsibility, experience, tenure and performance of key executives, as well as the scarcity of qualified executives for key positions;

- Annual cash incentive awards to reward performance against short-term corporate, business unit and/or individual objectives;

- Long-term equity incentive compensation to emphasize longer-term strategic objectives and align the interests of executives with those of stockholders; and

- Other benefits as appropriate to be competitive in the market place.

It has been the intent of the Committee that executive salaries, target annual incentive opportunities and target long-term incentive values be targeted at the median of manufacturing and general industry companies of similar size (measured by annual revenues) and complexity (measured primarily by number of distinct business lines and scope of international focus) to the Company for comparable positions, based on available peer group and survey data, with variation due to differences in executive skill levels and experience, the executive s role and internal fairness with other positions and roles within the Company.

The Committee s practice is to regularly compare the Company s executive compensation program with those provided by similar companies. The Committee annually compares the named executive officers general compensation levels against available market data and then also performs an in-depth review of the entire compensation program every three years in order to comprehensively review the Company s short and long-term compensation strategies, award mixes and performance metrics. In March 2011, the Compensation Committee engaged the independent compensation consulting firm of Farient Advisors LLC (Farient) to simultaneously conduct both of the aforementioned comparison reviews to assist the Committee in establishing executive compensation for fiscal 2012 and in adjusting the Company s overall compensation program. The Committee engaged Farient again in fiscal 2013 to evaluate the compensation of the named executive officers in comparison to peer group proxy data and relevant survey data. Farient was engaged directly by the Compensation Committee, but its fees were paid by the Company. During fiscal 2013, the Committee adopted a pre-approval policy for certain compensation consulting services to be provided by Farient to management of the Company, but determined that the scope of services and annual limit on fees set forth in the pre-approval policy would not impair Farient s independence from management.

In conducting its review and analysis, Farient used a combination of proxy data from peer companies and survey composite data, with each being weighted equally for purposes of establishing benchmark compensation levels. The survey composite data was obtained from the 2011 Mercer U.S. Executive Benchmark Database using two revenue cuts (revenues below $500 million given a 30% weighting and revenues from $500 million to $1 billion given a 70% weighting). The peer group was established using the following criteria: (i) U.S. based company listed on a major U.S. exchange; (ii) similar industry, with a qualitative assessment of business fit; (iii) revenue for the most recent fiscal year of between $250 million and $1 billion; and (iv) similar business and organizational complexity, focusing on companies having international revenue in excess of 25% of total revenue and having at least two distinct operating segments. The selected revenue range was approximately one-half to two times the Company s revenue for its most recently completed fiscal year, resulting in a peer group where the Company s revenue was around the peer group median revenue. Based on these criteria, the following peer group was established for fiscal 2013:

Aegion Corp.	Columbus McKinnon Corp.	Lydall, Inc.
Alamo Group, Inc.	Commercial Vehicle Group, Inc.	MFRI, Inc.
Ampco-Pittsburgh Corp.	Federal Signal Corp.	NN, Inc.
Astec Industries Inc.	Graco, Inc.	Robbins & Myers, Inc.
CIRCOR International, Inc.	Kaydon Corp.	Twin Disc Inc.

Since the Company does not have a large and generally recognized group of peer companies, Farient deemed it appropriate to use a mix of proxy data from peer companies and composite survey data. The Committee intends to conduct an annual review of the peer group composition. The peer group for fiscal 2013 contained two changes from the peer group established for fiscal 2012. RBC Bearings was removed because its international revenues as a percentage of total revenues had fallen below the 25% threshold level. Aegion Corp. was added because it now met all of the criteria for the peer group, after having been excluded in the prior year because its total revenues were above the revenue range selected for that year.

Based on its review and analysis, Farient recommended various minor changes to the Company s fiscal 2013 executive compensation program in order to position each component of compensation (and total direct compensation) for each executive at approximately the median of the Farient competitive market data. In addition to reviewing the compensation of executive officers against the competitive market, the Committee also considers recommendations from the Company s President and Chief Executive Officer regarding the total compensation for executive officers. Further, the Committee considered the historical compensation of each executive officer, from both a total compensation and a component by component basis, in setting the fiscal year 2013 compensation for the executive officers.

The Committee is of the view that awards of annual cash incentive and long-term incentive compensation awarded to executive officers should be adjusted in the event of restatements of the Company s financial results. Accordingly, the Committee has adopted a policy that allows recoupment or repayment of annual cash incentive and long-term incentive compensation payments made to executive officers during the three years preceding the restatement of Company financial statements to the extent such payments exceeded the amounts that would have been payable based on the restated financial results. Conversely, the policy allows for additional payments to the extent the amounts paid as annual and long-term incentive payments received in the three years preceding a restatement of Company financial statements were less than the amounts that would have been payable based on the restated financial results.

The Committee has assessed the risks that could arise from the Company s compensation program and does not believe that the terms of this program encourage excessive risk-taking that is reasonably likely to have a material adverse effect on the Company. For example, the Company s compensation program: (i) focuses on both short-term and long-term financial goals; (ii) utilizes a mix of financial performance goals so as to avoid over-emphasis on any one metric; (iii) is subject to a clawback policy in the event of restatements of the Company s financial results; (iv) includes long-term incentives with a three-year vesting period; and (v) contains caps on the maximum incentive payouts.

2013 Executive Compensation Program. The Company s fiscal year 2013 compensation program for its executive officers, including the executive officers named in the Summary Compensation Table included in this Proxy Statement, consisted of four basic components, which are (i) base salary, (ii) annual cash incentive awards, (iii) long-term incentive compensation and (iv) other employee benefits. The purposes of each of these components of executive compensation and the manner in which compensation for fiscal 2013 under these components was determined by the Committee for executive officers are as follows:

Base Salary. Base salaries are designed to provide executive officers with a competitive level of fixed compensation that is commensurate with the executive officer s individual responsibility, experience, tenure and general performance of duties. Base salary levels are also subject to competitive pressures faced by the Company for attracting and retaining qualified executives to fill key positions in the different geographic regions where the Company s executives reside. The Committee considers peer group and compensation survey information regarding base salary levels for executive officers with comparable positions and responsibilities in similar companies in order to maintain base salaries at competitive levels. In general, the Committee evaluates each executive officer s base salary on an annual basis to determine if an increase from the prior year s base salary is justified based on these criteria and considerations. In the case of Mr. Parod, base salary was initially established by the terms of his employment agreement and is subject to annual increases as determined by the Committee.

In the first quarter of fiscal 2013, the Committee established the base salaries for each of the Named Executive Officers. With respect to the base salaries of Named Executive Officers other than Mr. Parod, the Committee considered Mr. Parod s recommendations for salary adjustments and competitive salary information included in Farient s report on executive compensation. Mr. Parod made his recommendations for salary adjustments primarily based on individual performance and the Farient report. The Committee also took note that

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the recommended salaries were consistent with its policy of establishing base salary levels for its executive officers at levels that approximate the median salaries paid to persons holding comparable positions by manufacturing and general industry companies with annual revenues and business complexity similar to those of the Company. With respect to Mr. Parod, the Committee considered the competitive salary information included in Farient s report on executive compensation, the Company s performance and Mr. Parod s personal performance and concluded that an increase in his base salary from $531,000 to $575,000 (or 8.3%) was appropriate.

Annual Cash Incentive Awards. The Company paid annual cash incentive awards to its executive officers under a Management Incentive Plan for fiscal 2013 (the 2013 MIP) that was adopted by the Committee pursuant to the terms of the Company s 2009 Management Incentive Umbrella Plan which was approved by the stockholders at the Company s annual stockholder meeting in 2009. The Company used annual cash payments under the 2013 MIP primarily to encourage its executive officers to achieve specific short-term financial goals of the Company generally and, in some cases, for achievement of the Company s financial results in certain market segments. In addition, a portion of the annual cash incentives is designated to reward individual performance objectives of each executive officer participating in the 2013 MIP. The Committee adopted the 2013 MIP and established the financial and individual goals for executive officers under the 2013 MIP during the first quarter of fiscal 2013.

The financial performance component accounted for 80% of each Named Executive Officer s potential annual cash incentive award. This component consisted of three subcomponents: revenue, operating margin and average working capital to sales. For each of Messrs. Cotariu, Downing and Ruffalo, the financial performance component was split equally between consolidated Company financial performance and the financial performance (also based on revenue, operating margin and average working capital to sales) of their respective business units. For purposes of the 2013 MIP, (i) revenue was defined as the Company s fiscal 2013 operating revenues, (ii) operating margin was defined as the Company s fiscal 2013 operating income divided by fiscal 2013 operating revenues, and (iii) average working capital to sales was defined to include two key components of working capital: average month end inventories plus average month end accounts receivable divided by fiscal 2013 operating revenues. The average working capital to sales subcomponent, which was designed as a measure of the Company s utilization of its working capital, is calculated using the average of an entire 12 months worth of information in order to reduce any distortion caused by the seasonal nature of the Company s business. Each of the three subcomponents was calculated using the Company s Consolidated Statement of Operations for the year ended August 31, 2013, net of any effect of acquisitions made during fiscal 2013. The Committee chose to use revenue and operating margin as the primary financial performance measures for determining annual cash incentive awards under the 2013 MIP because it believed that the Named Executive Officers had significant influence over these measures, that operating margin and revenue align the interests of officers with the creation of stockholder value and that these measures are well understood by management and stockholders. Accordingly, the revenue subcomponent was assigned a weighting of 50% by the Committee and the operating margin subcomponent was assigned a weighting of 40%, while the average working capital to sales subcomponent was assigned a weighting of 10%. Considering the manufacturing nature of the Company s business, the Committee felt that weighting 10% of the financial performance component based on average working capital to sales would motivate the Named Executive Officers to properly manage receivables and inventory in relationship to sales.

In general, the Committee seeks to establish target levels for financial performance goals based on the Company s annual budget for the relevant fiscal year as approved by the Board of Directors. The 2013 targets for revenue, operating margin and average working capital to sales were $593.5 million, 13.3% and 26.8%, respectively. Each target corresponds to the Company s operating budget for fiscal 2013. The targets established for specific business units also correspond to the fiscal 2013 operating budget. As noted above, each target excludes the effect of any acquisitions made during fiscal 2013.

The Committee also approved the use of individual performance objectives to determine 20% of the annual cash incentives under the 2013 MIP for each Named Executive Officer. These individual performance objectives were approved by the Committee, based on recommendations by Mr. Parod, for each Named Executive Officer according to his respective area of responsibility. Unlike the financial performance measures described above, which the Committee viewed as short-term performance measures, the individual performance objectives were designed to focus on goals or initiatives that will create longer-term value for the Company. Depending on the officer, these performance objectives relate to areas such as strategic acquisitions, market development, market share growth and product development. Some of these individual performance objectives are objective and depend upon the accomplishment of specific, measurable goals such as expansion of international manufacturing capacity, introduction of new products, cost reduction or increased sales. Others are subjective in nature, such as performance objectives tied to brand awareness, process improvements, or the strengthening of operational and sales capabilities.

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The 2013 MIP established a target cash incentive amount for each Named Executive Officer (each a Target Cash Incentive Award). The Target Cash Incentive Award for Mr. Parod was set at 75% of his base salary (which represented an increase of 10% over his prior year target percentage of 65%). The Target Cash Incentive Award for each of Messrs. Raabe, Downing, Ruffalo and Cotariu was set at 50% of his respective base salary (which was the same as each officer s prior year target percentage). The Committee approved the increase to Mr. Parod s Target Cash Incentive Award to bring his target cash incentive level generally in line with the median of the Farient competitive market data. In each case, a Target Cash Incentive Award represents the total cash incentive a Named Executive Officer was entitled to receive if he had achieved 100% of the target levels under the financial performance component and individual performance component established for such Named Executive Officer under the 2013 MIP.

Under the 2013 MIP, a Named Executive Officer could earn a portion of his Target Cash Incentive Award if he achieved at least a threshold level of performance for any of the financial or individual performance components. Separate calculations were performed to determine the payout earned under the financial performance component and the individual performance component, and those two components were then added together to determine the final cash incentive awarded to a Named Executive Officer. The financial performance subcomponents are calculated according to a scale that provides varying percentage payouts for threshold , intermediate , target and maximum performance levels. If the Company fails to meet the threshold performance level for a specific financial performance subcomponent, then the Named Executive Officer will receive no payout under that specific subcomponent. Percentage payouts between the threshold, intermediate, target and maximum levels are linearly interpolated for each financial performance subcomponent. The following performance levels trigger the following percentage awards (calculated as a percentage of the Target Cash Incentive Award available under the overall Company financial performance component):

	Revenue (50%)	Average Operating Margin (40%)	Percentage of Working Capital to Sales (10%)	Target Cash Incentive Award Available for Financial Performance Subcomponent
Threshold	$296.8 million	6.7%	30.8%	15%
Intermediate	$445.1 million	10.0%	28.8%	75%
Target	$593.5 million	13.3%	26.8%	100%