September 15, 2011

Dear Fellow Shareholders:

In fiscal 2011, Standex produced solid growth in sales and profitability. This was achieved as a result of a modest recovery in the majority of our end-user markets, along with targeted sales initiatives implemented broadly across all of Standex's business units, a lower cost structure and four acquisitions. Total revenue increased 9.6% from fiscal 2010. Our organic growth rate was 7.9% – well in excess of GDP growth, indicating that the sales initiatives we began implementing approximately 18 months ago are driving the market share gains we anticipated. Acquisitions completed during the year contributed 1.7% to our top-line growth, and we expect these businesses to make further contributions in fiscal 2012. On the bottom line, due to nearly three years of focusing on company-wide cost reductions, we are clearly seeing improved profitability from incremental sales. Adjusted EBITDA for fiscal 2011 increased 10% year-over-year, while non-GAAP operating income rose 16% and non-GAAP earnings grew 26% to a Company record $2.83 per share.

While leveraging our sales growth into improved bottom-line results, we strengthened the Company's balance sheet position in fiscal 2011, generating $50.3 million in free operating cash flow. Since the onset of the recession three years ago, we have limited our capital spending by targeting only the most critical strategic projects. Investments in these projects totaled approximately $6 million in fiscal 2011. In addition, we invested nearly $27 million to complete four strategic bolt-on acquisitions and funded working capital to support our strong organic growth, yet were still able to reduce the Company's net debt by approximately $22 million. As a result, looking ahead to fiscal 2012, Standex has the balance sheet capacity and liquidity to continue funding organic growth and to acquire strategic bolt-on acquisitions to complement our existing business units.

Our fiscal 2011 acquisition activity began with the July 2010 acquisition of the assets of Melco Engraving India, which provides our Engraving Group and other divisions with a presence in the strategic and rapidly growing Indian automotive market. Three months later, we acquired the Tri-Star brand of high quality restaurant- and value-series range platforms, providing the Cooking Solutions unit of our Food Service Equipment Group with a more complete product offering. In January 2011, we purchased the assets of S.A. Chemical Etching in South Africa, which we incorporated into our worldwide Mold-Tech texturizing operations. As a consequence, our Engraving Group now has presence on six continents, further demonstrating our global capabilities to customers.

Standex INTERNATIONAL CORPORATION, 11 KEEWAYDIN DRIVE, SUITE 300, SALEM, NH 03079 TEL. (603) 893-9701 FAX. (603) 893-7324

In March 2011 we acquired Metal Spinners Group, Ltd., a U.K.-based metal fabrication supplier to the medical, general industrial, and oil and gas markets in the U.S., U.K., Europe and China. Metal Spinners' fabrication technology is similar to that of Spincraft, which it joined as part of the Engineering Technologies Group. Metal Spinners provides Standex with access to new end-user and geographic markets, as well as high-efficiency metal spinning capabilities and a customer base that includes global leaders in the medical device and oil and gas sectors.

Fiscal 2011 was a year of solid organic growth in all five of our business segments. The Standex Food Service Equipment Group began fiscal 2011 in an environment that we anticipated would offer only a slow recovery in customer demand. Conditions in our end-user markets did improve modestly as the year progressed, particularly in our Cooking Solutions and Procon fluid pump and dispensing businesses. The Cooking Solutions group gained market share by exploiting growth opportunities related to new products, enhancing existing sales channels, improving levels of customer service and forging new national account relationships.

The Food Service Equipment Group operating margins, however, were negatively affected late in fiscal 2011 by commodity price inflation as well as by product and sales-channel mix shifts in our Refrigerated Solutions business. Looking ahead, we are focused on driving continued top-line growth in Food Service, while improving margins with price increases and additional cost reduction initiatives. In addition, we anticipate that factory consolidations we have initiated in both our Refrigerated Solutions and Cooking Solutions groups will deliver approximately $1.5 million of annual savings beginning in the second quarter of fiscal 2012.

Fiscal 2011 was a very good year for the Standex Engraving Group. Although our roll engraving and machinery business was generally soft, our mold texturizing business gained market share across the board, driven by our technology as well as the customer proximity and access provided by our global footprint. Our ongoing focus on emerging markets is yielding good results, as evidenced by the record year for sales and profits reported by our mold texturizing business in China. The mold texturizing business we recently acquired in India is also performing well, and we are expanding our facilities and capacity in India to satisfy growing demand.

In our Engineering Technologies Group, fiscal 2011 sales improved over the prior year due to the acquisition of Metal Spinners late in the fiscal year. Sales in our legacy Spincraft business were negatively impacted by softness in both the energy and aerospace markets which are traditionally our largest sales contributors. We expect the softness in the energy sector to continue through the first half of fiscal 2012 and then to strengthen late in the year. We are investing to expand our relationship with several gas turbine manufacturers which we believe will position us for future growth in this segment. Our aerospace business, which strengthened late in fiscal 2011, should continue to improve through 2012. Longer term, we still anticipate significant growth opportunities in both manned and unmanned space applications. We are very excited about the growth prospects of the Metal Spinners acquisition, particularly in the oil and gas sector, and have already committed capital to expand the capacity of this new business unit.

Fiscal 2011 was a year of improved sales and profitability for our Electronics and Hydraulics group, amid broad-based recovery in most of the end markets these two business units serve. In Electronics, we successfully leveraged both the proprietary technologies we have developed for a wide range of applications in the aerospace, automotive, industrial and medical markets and our new-product engineering capabilities along with recent investments we have made to expand our global sales force. Our ability to capture new business opportunities is significantly enhanced by our world-class low-cost manufacturing facilities in Mexico and China. In our Hydraulics unit, we benefited from both a market recovery in North America and our customers' positive response to the products we are manufacturing in China, as well as our efforts to expand our customer base into the Chinese domestic market and markets in South America, Southeast Asia and Australia.

Given the lackluster pace of new home construction and rising commodity metal costs during the year, our ADP Group faced very challenging market conditions in fiscal 2011. Anticipating these challenges, we focused on driving market share gains for ADP by increasing existing customer demand for our traditional products, adding new complimentary products to our traditional metal duct work line and penetrating new wholesaler accounts by leveraging our nationwide manufacturing infrastructure.

Looking ahead to fiscal 2012, we believe that Standex has very good momentum in terms of sales, earnings, working capital and cash flow, as well as the positioning of our balance sheet. Since the second quarter of fiscal 2011 we have delivered year-over-year sales growth well in excess of global GDP growth. Further, the Metal Spinners acquisition only began to contribute to our sales in the fiscal fourth quarter. Despite margin challenges in Food Service, our adjusted EPS for FY11 was up 51% from the pre-recession high point three years ago on 10% lower sales, demonstrating the improved operating leverage we have created in our business model.

In light of the uncertain economic outlook, our strategy for fiscal 2012 is to remain focused on driving market share gains in a low growth market environment, implementing price increases in order to offset the impact of commodity inflation, and remaining aggressive in our efforts to reduce costs and improve productivity with a strong emphasis on the Food Service Equipment business. Highlighting our plans in this area for fiscal 2012 are plant consolidations and restructuring in our Refrigerated and Cooking Solutions businesses, as well as capital investments aimed at driving both growth and productivity across the organization.

At the same time, we will remain focused on evolving and optimizing our business structure to ensure that we continually add to Standex's overall market valuation. The four acquisitions we completed in fiscal 2011 have met or exceeded our expectations strategically and financially. We have a good pipeline of similar potential transactions in front of us, as well as the balance sheet strength and liquidity necessary to capitalize on the right opportunities.

The record financial performance of the Company in Fiscal 2011 is the direct result of the dedication, hard work and sacrifices of our employees over the past three years. We want to thank and congratulate all of our employees for their part in making Standex a better performing company.

We also want to thank our Board of Directors for their dedicated involvement and insight in assisting us in guiding Standex through very difficult economic conditions over the past several years.

We at Standex deeply appreciate the confidence and support that you, our shareholders, have extended to us in fiscal 2011. We look forward to reporting further progress in fiscal 2012 and future years.

Sincerely,

Roger L. Fix
President and Chief Executive Officer

Edward J. Trainor
Chairman of the Board