



Fourth Quarter Fiscal 2013
Conference Call
August 27, 2013



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Safe Harbor Statement

Statements in this presentation include, or may be based upon, management's current expectations, estimates and/or projections about Standex's markets and industries. These statements are forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Actual results may materially differ from those indicated by such forward-looking statements as a result of certain risks, uncertainties and assumptions that are difficult to predict. Among the factors that could cause actual results to differ materially from those currently expected or desired. These factors include, but are not limited to:

- material adverse or unforeseen legal judgments, fines, penalties or settlements;*
- conditions in the financial and banking markets, including fluctuations in the exchange rates and the inability to repatriate foreign cash;*
- general and international recessionary economic conditions, including the impact, length and degree of the current recessionary conditions on the customers and markets we serve and more specifically conditions in the food service equipment, automotive, construction, aerospace, energy, transportation and general industrial markets;*
- lower-cost competition;*
- the relative mix of products which impact margins and operating efficiencies, both domestic and foreign, in certain of our businesses;*
- the impact of higher raw material and component costs, particularly steel, petroleum based products and refrigeration components;*
- an inability to realize the expected cost savings from restructuring activities, effective completion of plant consolidations, cost reduction efforts, restructuring including procurement savings and productivity enhancements, capital management improvements, strategic capital expenditures, and the implementation of lean enterprise manufacturing techniques;*
- the inability to achieve the savings expected from the sourcing of raw materials from and diversification efforts in emerging markets;*
- the inability to attain expected benefits from strategic alliances or acquisitions, the inability to achieve synergies contemplated by the Company;*
- other factors discussed in the Annual Report of Standex on Form 10-K for the fiscal year ending June 30, 2012, which is on file with the Securities and Exchange Commission, and any subsequent periodic reports filed by the company with the Securities and Exchange Commission.*

In addition, any forward-looking statements represent management's estimates only as of the day made and should not be relied upon as representing management's estimates as of any subsequent date. While the company may elect to update forward-looking statements at some point in the future, the company and management specifically disclaim any obligation to do so, even if management's estimates change.

Fourth Quarter 2013 Overview

Sales growth driven by Meder acquisition, EPS flat YOY

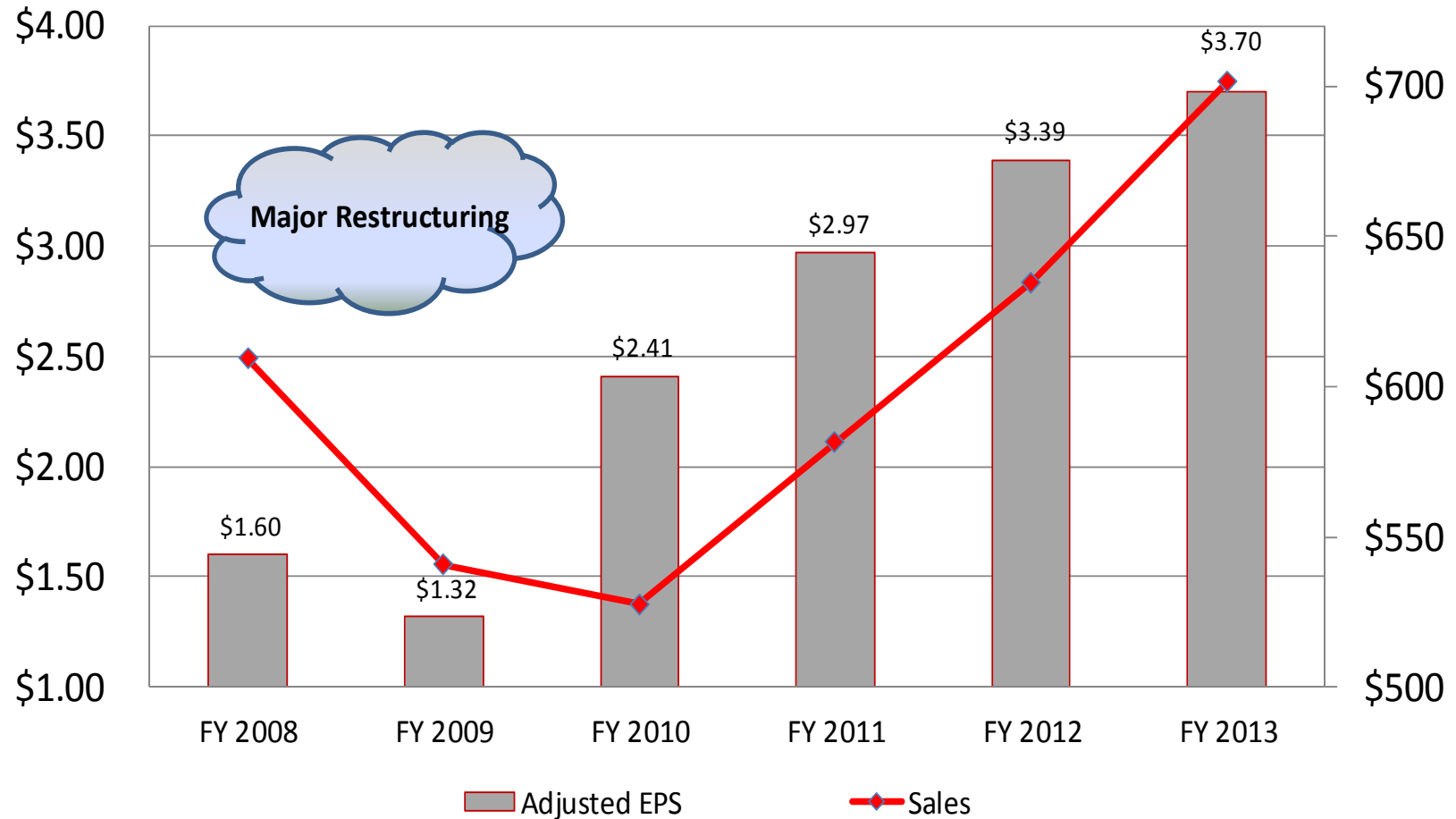
- Marginal YOY sales growth in Q4 with softening demand in several end user segments
 - Q4 total sales +7.9%
 - Organic sales -0.1%
 - Acquisitions +8.2%
 - FX impact of -0.2%
- Q4 non-GAAP operating income -3.3% and non-GAAP EPS of \$1.02/share flat to prior year
- At end of Q4 net cash position of \$1 million position
- Balance sheet is well positioned to support both organic and acquisitive investments

Full Year Fiscal 2013 Overview

Sales growth, improved EPS and free cash flow generation

- Full year sales grew 10.5%
 - Organic sales +2.3%
 - Acquisitive growth +8.7%
 - FX impact -0.4%
- Second consecutive record year for non-GAAP EPS
 - Non-GAAP EPS of \$3.70/share up 9.1% YOY
- Ended the year in a net cash position of \$1M after making \$3M voluntary defined benefit plan contribution and Meder acquisition of \$40M
- Strong Cash Generation – Free cash flow per share from continuing operations at \$4.11 excluding pension contribution
- Significant progress in executing Focused Diversity strategy
 - Successfully integrated the Meder acquisition in to the Standex Electronics portfolio

EPS Expansion



Quarterly Results

	Q4 FY 2013	Q4 FY 2012	Delta
Sales	\$ 183,275	\$ 169,800	7.9%
Operating Income	\$ 18.213	\$ 18.525	-1.7%
Operating Income Margin	9.94%	10.91%	-97 bps
Operating Income excl Special Items	\$ 18,584	\$ 19,220	-3.3%
Operating Income Margin % excl Special Items	10.14%	11.32%	-118 bps
EBITDA	\$ 22,085	\$ 22,096	0.0%
EBITDA %	12.05%	13.01%	-96 bps
EBITDA w/o Special Items	\$ 22,456	\$ 22,791	-1.5%
EBITDA % w/o Special Items	12.25%	13.42%	-118 bps
EPS Continue Ops	\$ 1.00	\$ 1.05	-4.8%
EPS Continue Ops w/o Special Items	\$ 1.02	\$ 1.02	0.0%

Quarterly Bridge

Net Income Q4

EPS Q4

	FY 13	FY 12	% Change	FY 13	FY 12	% Change
Net Income Continuing Operations	\$ 12,700	\$ 13,486	-5.8%	\$ 1.00	\$ 1.05	-4.8%
Add:						
Restructuring *	\$ 262	\$ 153		\$ 0.02	\$ 0.01	
Acquisition-related costs *		\$ 303		\$ -	\$ 0.02	
Less:						
Non-recurring Tax Items	\$ -	\$ (790)		\$ -	\$ (0.06)	
Proforma Net Income from Continuing Operations	\$ 12,962	\$ 13,151	-1.4%	\$ 1.02	\$ 1.02	0.0%

* Tax Effected

Full Year Results

	6/30/2013	6/30/2012	Delta
Sales	\$ 701,260	\$ 634,640	10.5%
Operating Income	\$ 63,829	\$ 64,580	-1.2%
Operating Income Margin	9.10%	10.18%	-108 bps
Operating Income excl. Special Items	\$ 68,575	\$ 61,951	10.7%
Operating Income Margin % excl. Special Items	9.78%	9.76%	2 bps
EBITDA	\$ 79,248	\$ 78,589	0.8%
EBITDA %	11.30%	12.38%	-108 bps
EBITDA w/o Special Items	\$ 83,994	\$ 75,960	10.6%
EBITDA % w/o Special Items	11.98%	11.97%	1 bps
EPS Continue Ops	\$ 3.55	\$ 3.67	-3.3%
EPS Continue Ops w/o Special Items	\$ 3.70	\$ 3.39	9.1%

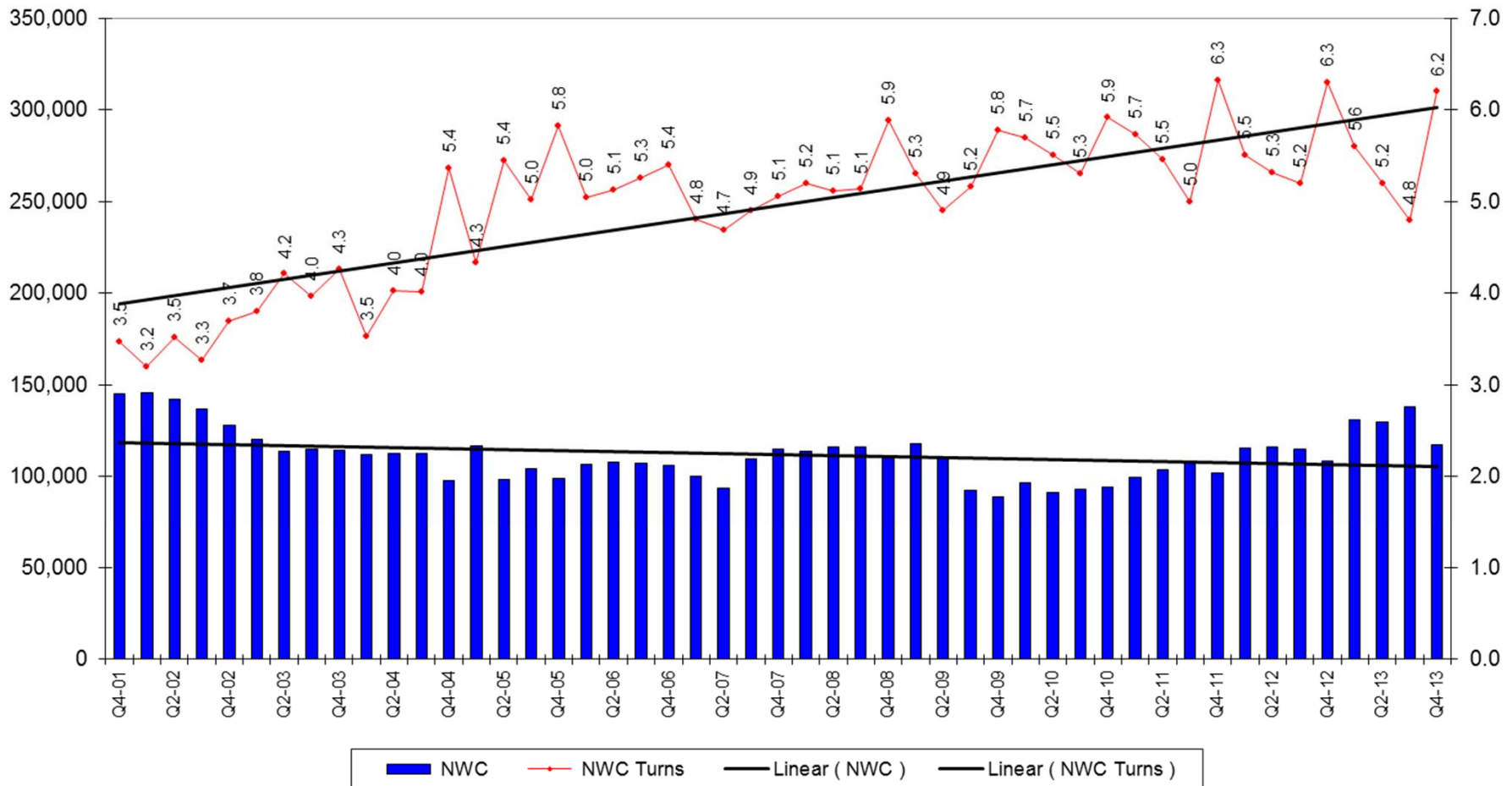
Full Year Bridge

	Full Year			Full Year EPS		
	6/30/2013	6/30/2012	% Change	6/30/2013	6/30/2012	% Change
Net Income Continuing Operations	\$ 45,322	\$ 46,907	-3.4%	\$ 3.55	\$ 3.67	-3.3%
Add:						
Restructuring *	\$ 1,885	\$ 1,104		\$ 0.15	\$ 0.09	
Legal Settlement *	\$ 1,987			\$ 0.16	\$ -	
Acquisition-related costs *	\$ 1,095	\$ 303		\$ 0.08	\$ 0.02	
Less:						
Building Sales *	\$ -	\$ (3,301)		\$ -	\$ (0.26)	
Retiree Life Insurance *	\$ (1,611)	\$ -		\$ (0.13)	\$ -	
Non-recurring Tax Items	\$ (1,366)	\$ (1,635)		\$ (0.11)	\$ (0.13)	
Proforma Net Income from Continuing Operations	\$ 47,312	\$ 43,377	9.1%	\$ 3.70	\$ 3.39	9.1%

* Tax Effected

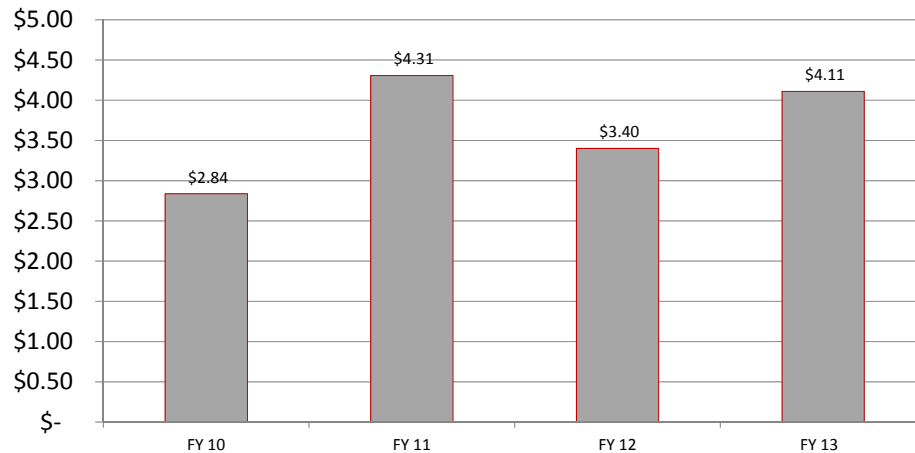
Net Working Capital

Working Capital turns show improvement over time



Cash Flow

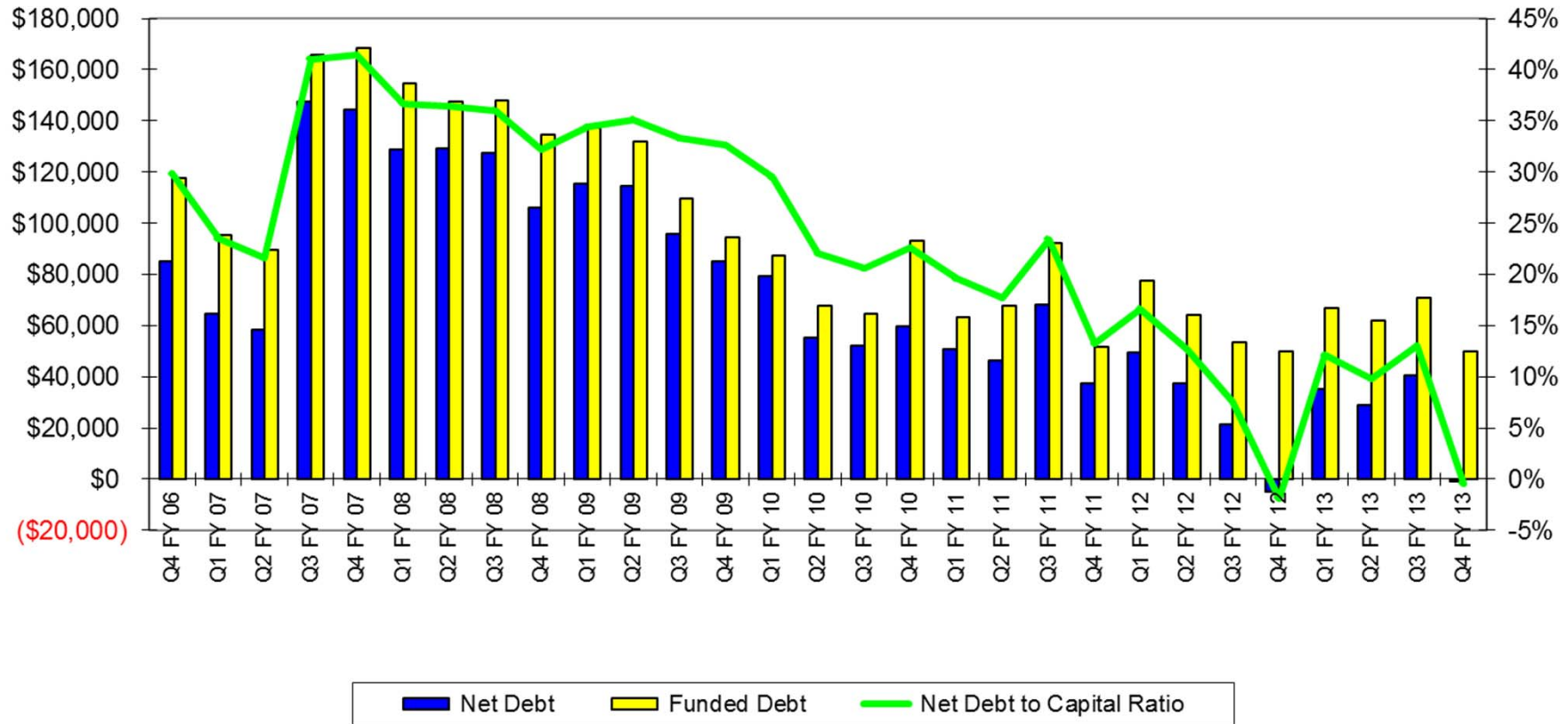
FCF Per Share



- Free cash flow in excess of \$4.00 per share
- Generated strong cash flow for the quarter and year

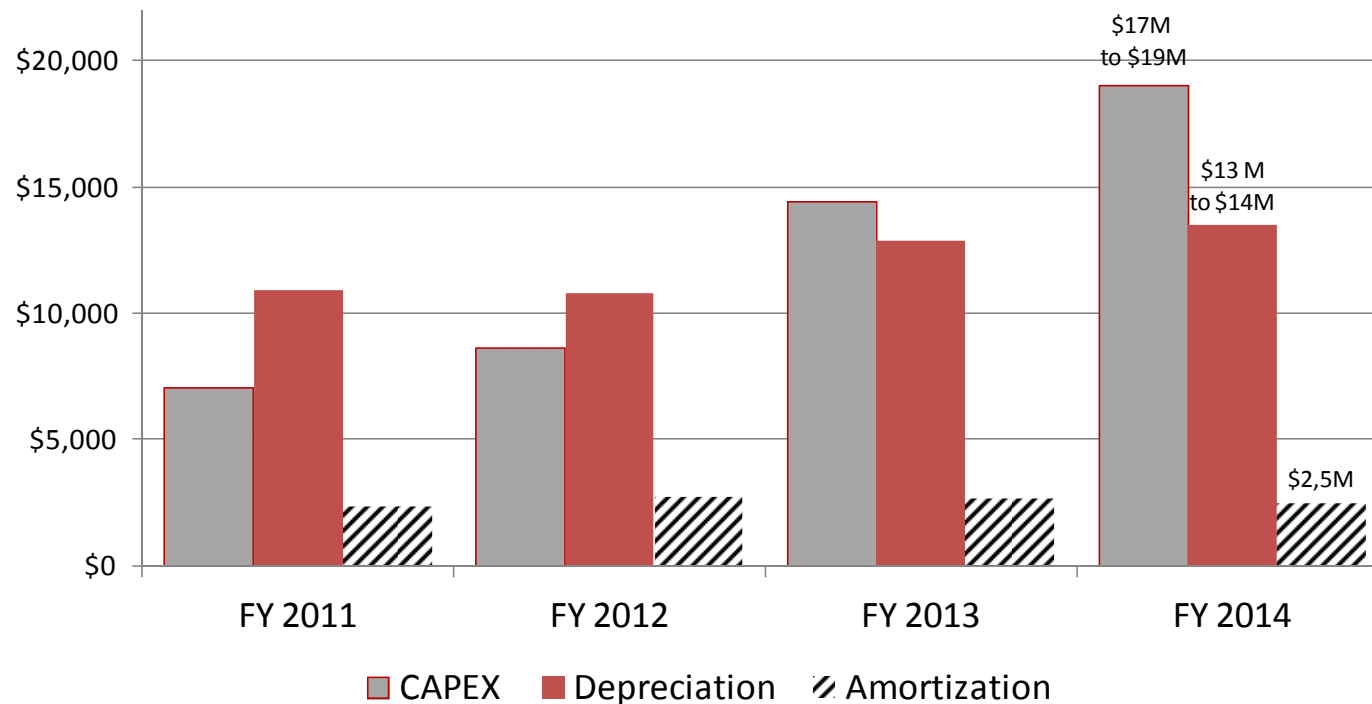
Free operating cash flow (continuing ops):	Q4 FY13	Q4 FY12	Full Year FY13	Full Year FY12
Net cash provided by operating activities, as reported	\$ 44,009	\$ 24,312	\$ 63,449	\$ 47,441
Add: Voluntary pension contribution	0	6,000	3,250	6,000
Less: Capital expenditures	(1,758)	(1,723)	(14,147)	(9,936)
Free operating cash flow	\$ 42,251	\$ 28,589	\$ 52,552	\$ 43,505
Net Income	\$ 12,700	\$ 13,486	\$ 45,322	\$ 46,907
Conversion of free operating cash flow	332.7%	212.0%	116.0%	92.7%

Debt Management



- *Net Debt to Capital at -0.3% as of June 30, 2013*
- *Net cash position of \$992*

Capital Spending



Key CAPEX Projects:

- FY 14 CAPEX to be in the range of \$17M-\$19M
- Food Service – Complete facility closure and further investments in metal forming and automation.
- Engraving – Purchase direct laser engraving machines.
- Electronics – Complete manufacturing facility in Mexico.
- Engineering Technologies – PNC spin lathes and control upgrades.
- Hydraulics – Complete China facility capacity.

Fourth Quarter FY 2013 Operational Segment Review

Food Service Equipment Group



	Q4'13 ('000s)	\$	Δ% YOY
Revenues		\$ 103,131	2.4%
Operating Income		\$ 11,138	0.2%
OI Margin		10.8%	

- Strong refrigeration sales to national quick serve chains offset by softness at drug retail
- Taking action to accelerate end-user market expansion; introducing new products at lower price points
- Early success in capturing \$8-10 million of incremental sales to large dollar store chain
- Double-digit cooking sales growth at quick serve and convenient stores offset by slow grocery sales in US and Europe

Food Service Equipment Group

- ❑ Recently announced consolidation of Cheyenne, WY cooking solutions facility into facilities located in Mexico, South Carolina and Tennessee
- ❑ Annual savings of \$4-4.5 million expected
- ❑ Restructuring charge of \$7.5-8 million to be recorded in FY14 including approximately \$3 million non-cash facility impairment
- ❑ Consolidation will be completed by end of FY14
- ❑ Expect savings to begin in early FY15 with full run rate by mid FY15.
- ❑ In addition, will be opening distribution center in Dallas, TX to improve customer satisfaction and improve inventory management.

Engraving Group



	Q4'13 ('000s)	\$	Δ% YOY
Revenues		\$ 22,541	-9.0%
Operating Income		\$ 3,203	-34.6%
OI Margin		14.2%	

- Volumes declined in the quarter as mold texturizing sales in both North America and Europe softened as compared to record volumes realized in the prior year quarter
- Sales affected by disruption related to Brazil relocation and lower volume in Europe
- OI declined due to volume deleveraging and product mix
- Expecting good growth in mold texturizing in North America in FY 2014; Europe expected to be flat with record year in 2013
- Overall, FY 2014 expected to be solid year for mold texturizing
- Starting to see early signs of pick up in roll, plate and machinery segment

Engineering Technologies Group



Q4'13 ('000s)	\$	Δ% YOY
Revenues	\$ 21,497	-5.2%
Operating Income	\$ 4,493	-9.5%
OI Margin	20.9%	

- Strong sales to land-based turbine customers were offset by lower sales in the oil and gas market, and margins also faced a difficult year-over-year comparison as the result of a large, high margin oil and gas order last year
- FY 2014: Good growth expected in space sector, land-based turbines and aviation. Expect oil & gas to be flat with FY 2013.
- Bullish on long-term prospects for Engineering Technologies
- Growth opportunities in commercial aviation for nacelle lipskins and internal components of jet engines are developing

Electronics Group



Q4'13 ('000s)	\$	Δ% YOY
Revenues	\$ 27,569	106.4%
Operating Income	\$ 4,178	63.5%
OI Margin	15.2%	

- Sales growth driven by success of the Meder acquisition
- Meder acquisition continues to perform ahead of our expectations
- Cross sell-selling efforts successful
- New product launches in 2014
- Continue to expect annual Meder cost synergies to be \$4M; majority of run rate in Q1 and ramping to full \$4M by end of FY 2014

Hydraulics Group



Q4'13 ('000s)	\$	Δ% YOY
Revenues	\$ 8,537	3.3%
Operating Income	\$ 1,597	13.9%
OI Margin	18.7%	

- Hydraulics sales was driven by our success in penetrating the garbage truck refuse and roll off waste container markets
- Series of new products for refuse market being launched this year
- Dump trailer, dump truck and export markets have been weak
- Expect to complete expansion at Tianjin facility in Q1; necessitated by strength in refuse market

Critical Growth and Margin Improvement Initiatives

Market Share Gains through New Products, Geographies & Markets Coupled with Cost Reduction and Working Capital Management Focus

- | | |
|--------------------------|--|
| Food Service Equipment | <ul style="list-style-type: none">• Execute Cheyenne plant consolidation• New market penetration (Dollar Stores and C-Stores),• New Products (Glass Door Merchandisers, Rack Refrigeration, Combi Oven, Speed Oven) |
| Engraving | <ul style="list-style-type: none">• Execute and gain market share in automotive platform launches• Emerging market focus (Korea, Mexico, Brazil)• Brazil improvements |
| Engineering Technologies | <ul style="list-style-type: none">• Execute satellite launch and manned space flight opportunities• Continue to grow market share in land based turbine market• Participate in the expanding Aviation/Aircraft engine market |
| Electronics | <ul style="list-style-type: none">• Execute Standex Meder sales and cost synergies• Launch recent key account share gains in magnetics and sensors• Complete Mexico facility move |
| Hydraulics | <ul style="list-style-type: none">• Expand upon recent roll-off container refuse market share gains• Launch new products for garbage truck refuse market• Complete Tianjin, China expansion• Continue export market sales expansion |

Summary

- Continued to make progress on a number of important strategic areas
- At each segment, making improvements and enhancing margins by leaning out the organization
- Executing on organic growth initiatives to capitalize on market opportunities
- Acquisition strategy proving successful with strong accretion from Meder and solid sales synergy prospects; encouraged by acquisition pipeline and strong balance sheet
- Very positive about strategy to improve sales, increase profitability and generate long-term shareholder value despite some weakness in certain end markets

Q&A Session