

Standex International



**Food Service
Equipment**



Engraving



**Engineering
Technologies**



**Air Distribution
Products**



Electronics



Hydraulics

Fourth Quarter Fiscal Year 2010

Conference Call

August 26, 2010

SXI
LISTED
NYSE

Overview

- Roger Fix – President & Chief Executive Officer

Financial Review

- Tom DeByle – Chief Financial Officer

Fourth Quarter 2010 Segment Results and Outlook

- Roger Fix – President & Chief Executive Officer

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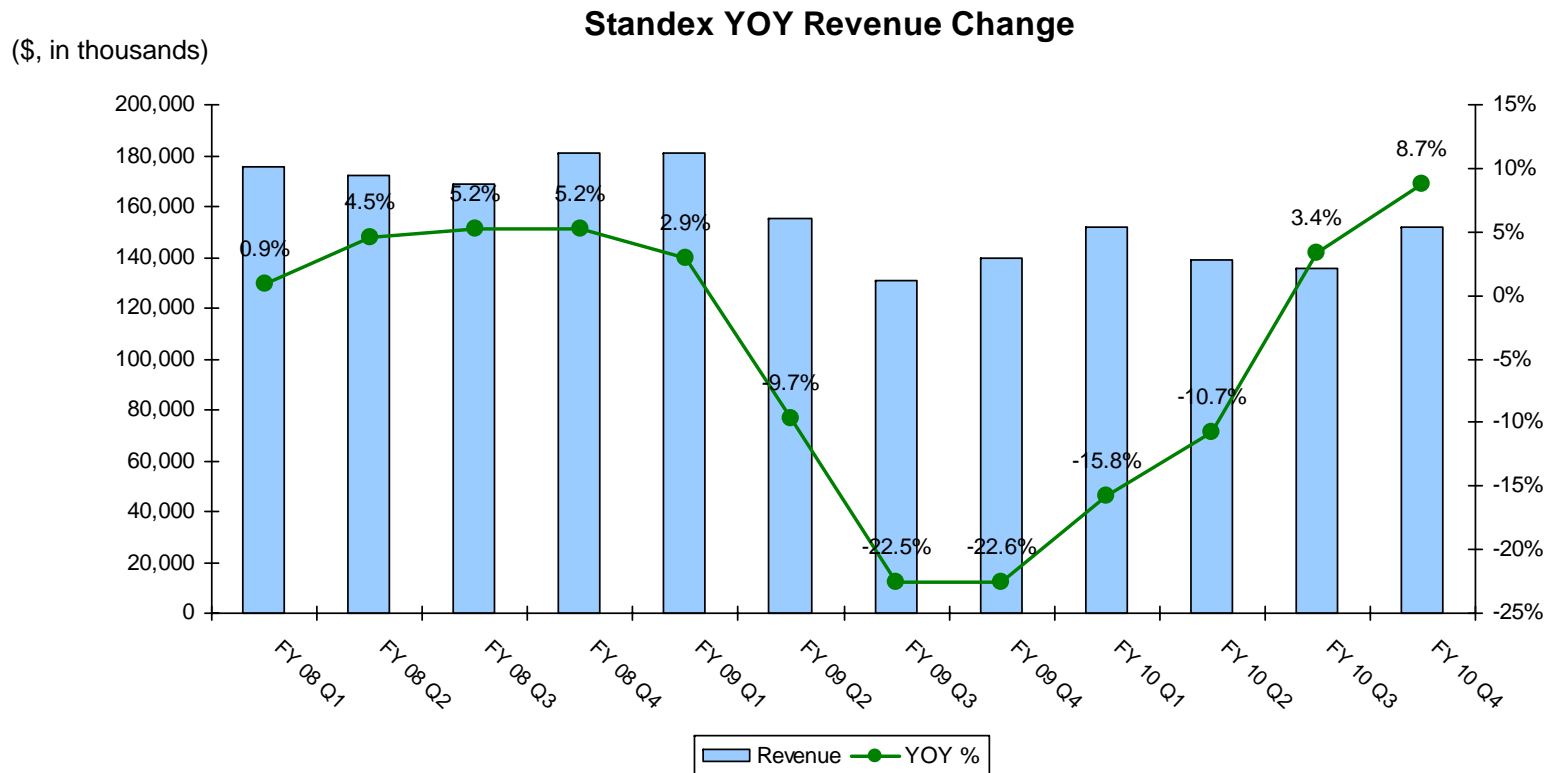
Organic Growth and Cost Focus Drive Bottom-Line Strength

- Second consecutive quarter of positive year-over-year organic growth
- Achieved FY10 non-GAAP EPS of \$2.25/share vs. \$1.56/share in FY09
- Delivered 44% increase in FY10 non-GAAP EPS despite 5% sales decline

	Q1 FY 10	Q2 FY 10	Q3 FY 10	Q4 FY 10	FY 2010
EPS Continuing Operations	\$0.67	\$ 0.51	\$ 0.37	\$ 0.67	\$ 2.20
<u>Add:</u>					
Restructuring	\$0.08	\$ 0.08	\$ 0.03	\$ -	\$ 0.19
ADP Supplier Dispute Resolution				\$ 0.05	\$ 0.05
<u>Less:</u>					
Building Sale		\$(0.07)			\$ (0.07)
Discrete Tax Items			\$(0.03)	\$(0.08)	\$ (0.12)
Adjusted EPS Continuing Operations	\$0.75	\$ 0.52	\$ 0.37	\$ 0.64	\$ 2.25

Second Consecutive Quarter of Positive Organic Growth

- 8.7% total YOY sales growth; 8.8% organic growth in Q4
- All reporting groups delivered YOY revenue growth
- Focus shifted to organic growth from cost reductions
- Initiatives centered on capturing market share



Strategy	Measure	Revenue Growth Examples
Accelerate Organic Revenue Growth	New Products New to Channel Cross Branding Cross Selling Geographic Expansion	Electronics - Introduced World's Smallest Reed Switch Engraving - Slush Molding Automotive and Consumer Add Application Refrigeration - Master-Bilt Labeled Federal Products Food Service Equipment - YUM! Brands Relationship Engraving - Opening Third Chinese Facility
Expand Partnerships	Preferred Suppliers New Customer Contracts Awards/Recognition	Engineering Technologies - Supplier Gold Status UTC Refrigeration - Baskin Robbins Ice Cream Cabinets Refrigeration - Best in Class Award
Increase Revenue From Acquisitions	Product Gaps Geographic Gaps	Food Service Equipment - AAI Cooking Equipment Engraving - Strategic India Acquisition



Measure and Track Across Enterprise
Align and Prioritize Internal Resources
Capture Strong Growth Opportunities

APW Wyott brand has been recognized by PRIDE Marketing and Procurement Inc. as “Vendor of the Year” for 2009

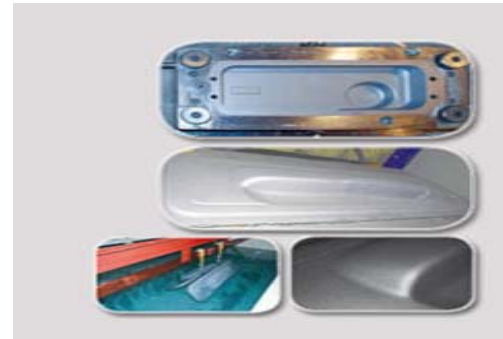
Master-Bilt was selected by Baskin-Robbins as its preferred supplier for ice cream cabinets worldwide

Electronics recently ranked among the top component designs according to *Electronic Design*, an industry-leading electronics trade journal with more than 50,000 subscribers

Nor-Lake received a “2009 Outstanding Sales Achievement” award by Allied Buying Corporation (ABC)

Innovent brand has been recognized by aerospace and defense leader Northrop Grumman as a Platinum Source Preferred supplier for 2009

Refrigeration Solutions – New Ice Cream Merchandiser**Cooking Solutions – New Energy Saving Quick Start Toaster****Cooking Solutions – New Food Heating and Holding Solution****Refrigeration Solutions – New Value Line Reach-in Refrigeration Product**

Electronics – New Proximity Switch**Engraving – New Mold Texturizing Technology****Electronics – New High Performance Choke for High Definition Video MRI****Engineering Technologies – Aluminum Hydrogen Fuel Tank for Boeing's Next Generation Unmanned Aerial Vehicle**

Strong Top- and Bottom-Line Performance in Q4

(\$, in millions, except per share amounts)	<u>Q4 FY 10</u>	<u>Q4 FY 09</u>	<u>Delta</u>
Sales	\$ 152.081	139.911	9%
Operating Income	\$ 12.194	\$ 9.228	\$ 2.966
Operating Income Margin	8.02%	6.60%	142 bps
Operating Income excl Special Items	\$ 13.248	\$ 10.300	29%
Operating Income Margin % excl Special Items	8.71%	7.36%	135 bps
EBITDA	\$ 15.943	\$ 12.395	\$ 3.548
EBITDA %	10.48%	8.86%	162 bps
EBITDA w/o Special Items	\$ 16.997	\$ 13.467	26%
EBITDA % w/o Special Items	11.18%	9.63%	155 bps
EPS Continue Ops	\$ 0.67	\$ 0.46	\$ 0.21
EPS Continue Ops w/o Special Items	\$ 0.64	\$ 0.45	42%

Strong Bottom-Line Growth on Revenue Decline in FY 2010

(\$, in millions, except per share amounts)	<u>FY 10</u>	<u>FY 09</u>	<u>Delta</u>
Sales	\$ 578.454	607.086	-5%
Operating Income	\$ 42.266	\$ 6.021	\$ 36.245
Operating Income Margin	7.31%	0.99%	631 bps
Operating Income excl Special Items	\$ 45.602	\$ 35.135	30%
Operating Income Margin % excl Special Items	7.88%	5.79%	210 bps
EBITDA	\$ 57.427	\$ 21.777	\$ 35.650
EBITDA %	9.93%	3.59%	634 bps
EBITDA w/o Special Items	\$ 60.763	\$ 49.807	22%
EBITDA % w/o Special Items	10.50%	8.20%	230 bps
EPS Continue Ops	\$ 2.20	\$ (0.15)	\$ 2.35
EPS Continue Ops w/o Special Items	\$ 2.25	\$ 1.56	44%

Strong Non-GAAP Net Income From Cont Ops Growth

(\$, in thousands, except per share amounts)

	Net Income			Earnings Per Share		
	Q4 FY 10	Q4 FY 09	Change	Q4 FY 10	Q4 FY 09	Change
Net Income Continuing Operations	\$ 8,540	\$ 5,764	48%	\$ 0.67	\$ 0.47	43%
<u>Non-Recurring (Tax Impacted)</u>						
Restructuring Charges	\$ 56	\$ 702		\$ -	\$ 0.06	
ADP Supplier Dispute Resolution	\$ 634			\$ 0.05	\$ -	
Discrete Tax Items	\$ (1,070)	\$ (824)		\$ (0.08)	\$ (0.07)	
Total Non-Recurring (Tax Impacted)	\$ (380)	\$ (122)		\$ (0.03)	\$ (0.01)	
Proforma Net Income Continuing Operations	\$ 8,160	\$ 5,642	45%	\$ 0.64	\$ 0.46	39%

Strong Non-GAAP Net Income From Cont Ops Growth

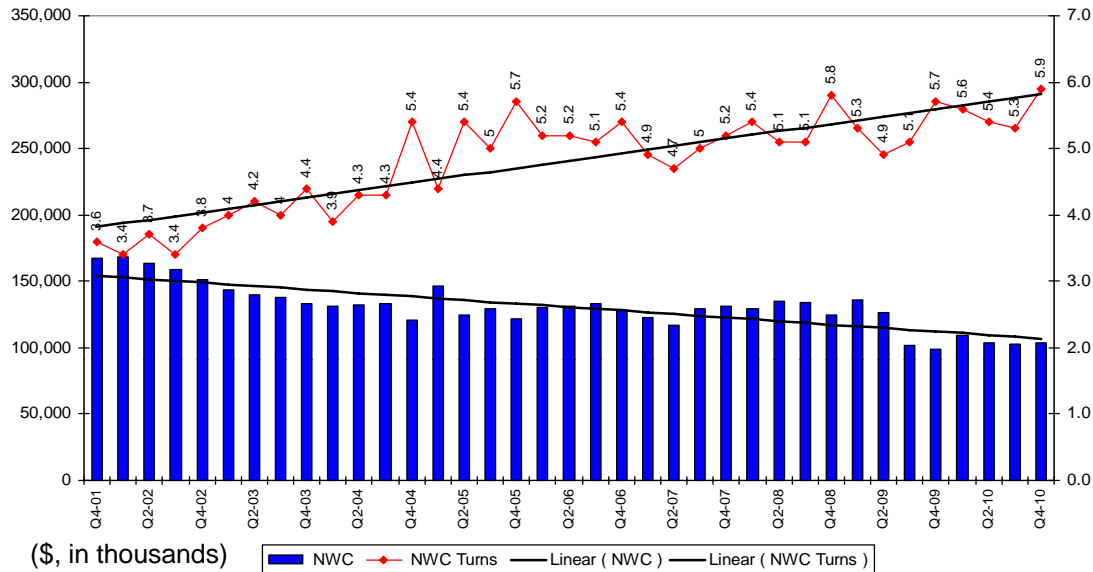
(\$, in thousands, except per share amounts)

	Net Income			Earnings Per Share		
	FY 2010	FY 2009	Change	FY 2010	FY 2009	Change
Net Income Continuing Operations	\$ 27,960	\$ (1,890)	NM	\$ 2.20	\$ (0.15)	NM
Non-Recurring (Tax Impacted)						
Reversal of Bonus/LTIP accruals		\$ (2,358)			\$ (0.19)	
LOCM		\$ 2,316			\$ 0.19	
Gain on Sale of Real Estate	\$ (920)	\$ -		\$ (0.07)		
Restructuring Charges	\$ 2,471	\$ 5,135		\$ 0.19	\$ 0.42	
Life Insurance Proceeds		\$ (1,084)			\$ (0.09)	
Goodwill and Asset Impairment		\$ 20,043			\$ 1.63	
ADP Supplier Dispute Resolution	\$ 634			\$ 0.05		
Discrete Tax Items	\$ (1,470)	\$ (3,077)		\$ (0.12)	\$ (0.25)	
Total Non-Recurring (Tax Impacted)	\$ 715	\$ 20,975		\$ 0.05	\$ 1.71	
Proforma Net Income Continuing Operations	\$ 28,675	\$ 19,085	50%	\$ 2.25	\$ 1.56	44%

Improving Working Capital Turns Demonstrates Increasing WC Efficiency

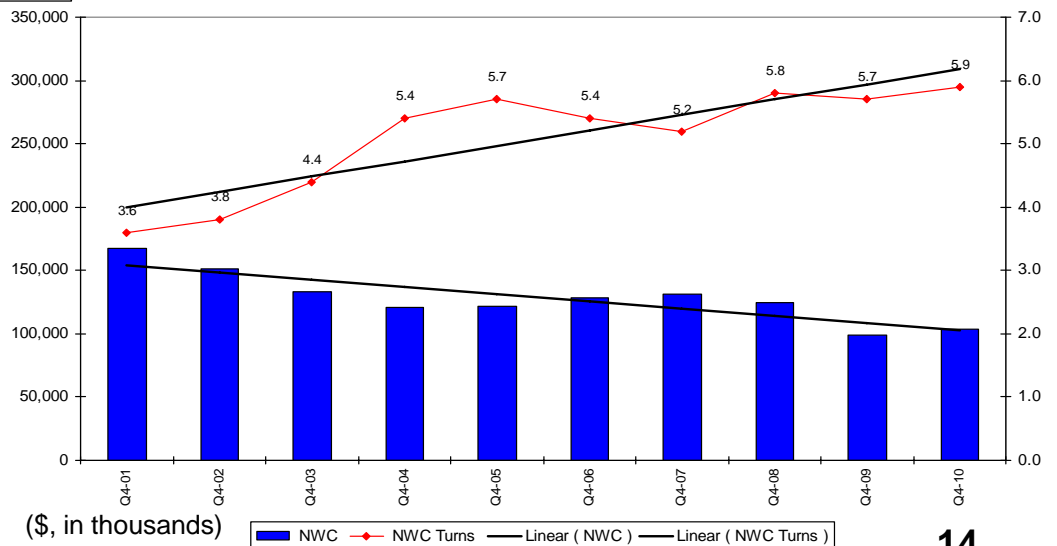
(\$, in thousands)

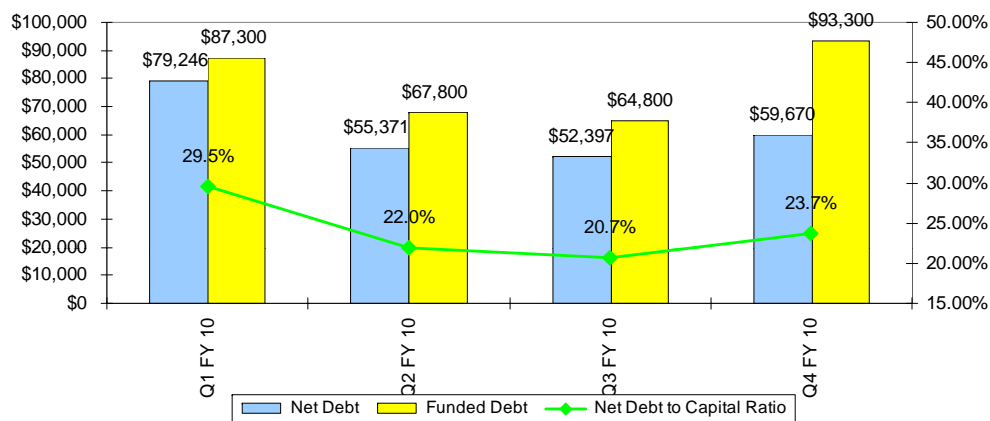
	4th Quarter		Versus Prior Quarter		Versus Prior Year	
	6/30/2010	3/31/2010	Increase (Decrease)	6/30/2009	Increase (Decrease)	
Accounts Receivable	\$ 92,520	\$ 83,278	\$ 9,242	\$ 81,893	\$ 10,627	
DSO	54	55	(1)	54	-	
Inventory	\$ 69,554	\$ 74,495	\$ (4,941)	\$ 75,634	\$ (6,080)	
Turns	5.7	5.0	0.7	4.8	0.9	
Accounts Payable	\$ (58,514)	\$ (55,182)	\$ (3,332)	\$ (58,802)	\$ 288	
DPO	44	44	-	45	(1)	
Net Working Capital	\$ 103,560	\$ 102,591	\$ 969	\$ 98,725	\$ 4,835	
% of Revenue	17.0%	18.9%	-192 bps	17.6%	-62 bps	
Turns	5.9	5.3	0.6	5.7	0.2	



• Continued focus on managing working capital

• YOY 4th quarter WC turns trend continues to improve





- **Net Debt decreased by \$25.6M from \$85.3M at Q4 FY 2009**
- **Net Debt to Capital decreased from 32.6% to 23.7% in FY 10**
- **Pension contributions of \$19.5M impacted net debt in Q4 FY 2010**

FY 10 Q4 Net Debt Analysis

(in '000s)

Net Debt 3/31/2010	(52,397)
<u>Routine Cash Items</u>	
EBITDA	15,944
WC Increase	(969)
CAPEX	(1,050)
Cash Interest	(713)
Cash Taxes	(880)
Dividends	(623)
Other	(935)
Total Routine Cash Items	10,774
<u>Non-Routine Cash Items</u>	
Voluntary US Pension Contribution	(15,000)
Voluntary Foreign Pension Contributions	(1,721)
Bartonville Multi Employer Pension	(2,750)
Life Insurance Proceeds	1,424
Total Non-Routine Cash Items	(18,047)
Net Debt increase during the quarter	(7,273)
Net Debt 6/30/2010	(59,670)

Continued Ability to Generate Free Cash Flow

(\$, in thousands)

<i>Free operating cash flow:</i>	Quarter	Full Year
	06/30/10	06/30/10
Net cash provided by operating activities, as reported	\$ (7,778)	\$ 21,401
Less: Capital Expenditures	(1,050)	(4,030)
Add: Voluntary Pension Contribution	16,721	16,721
Free operating cash flow	\$ 7,893	\$ 34,092
Net Income	8,540	27,960
Conversion of free operating cash flow	92.4%	121.9%

Standex Real Estate Transactions

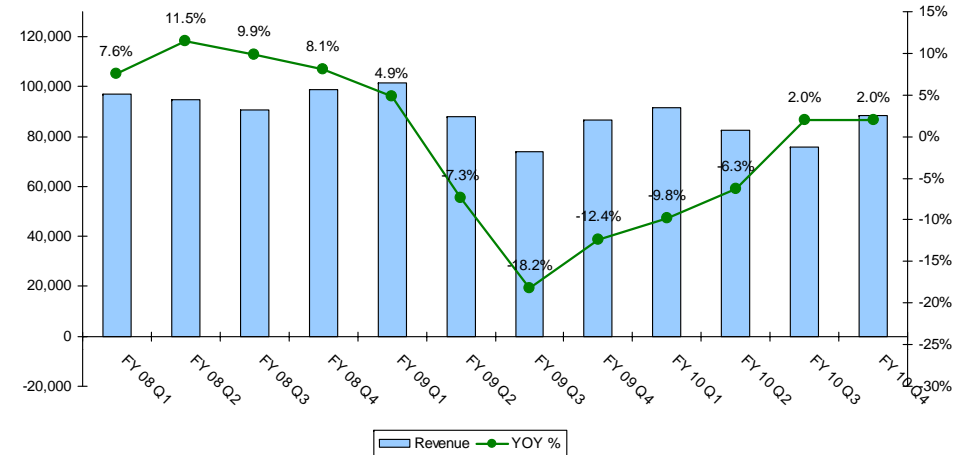
Restructuring and Lean Enterprise Enables Sale of Excess Real Estate and Cash Generation

REAL ESTATE SALES ('000s USD)

	Net Cash Proceeds	EPS	Completed or Estimated Completion
Bakers Pride - New Rochelle, NY	\$ 5,538	\$ (0.04)	FY 10 Q1
Standex Corporate HQ - Salem, NH	\$ 2,331	\$ 0.07	FY 10 Q2
Standex Engraving - Norway	\$ 570	\$ 0.04	FY 10 Q3
Keller-Dorian - Lyon, France	\$ 3,607	\$ 0.21	FY 11 Q1
Sales completed	<u>\$ 12,045</u>	<u>\$ 0.28</u>	
Dornbusch - Sao Paolo, Brazil	\$ 2,509	\$ 0.19	6-9 Months
Total Projected Land & Building Sales	<u>\$ 14,554</u>	<u>\$ 0.47</u>	

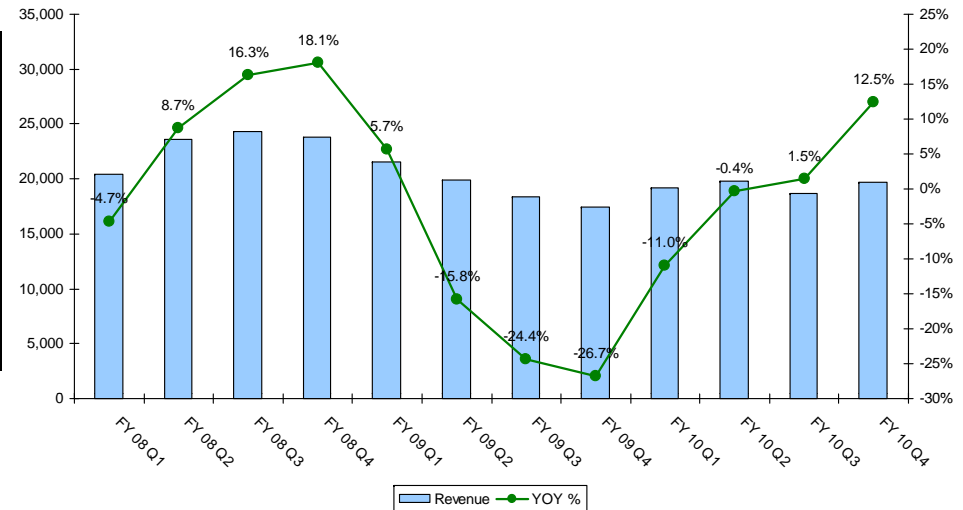
Fourth-Quarter FY10 Operational Segment Review

Q4'10 ('000s)	\$	Δ% (yoy)
Revenues	\$88,266	2.0%
Operating Income	\$10,886	2.8%



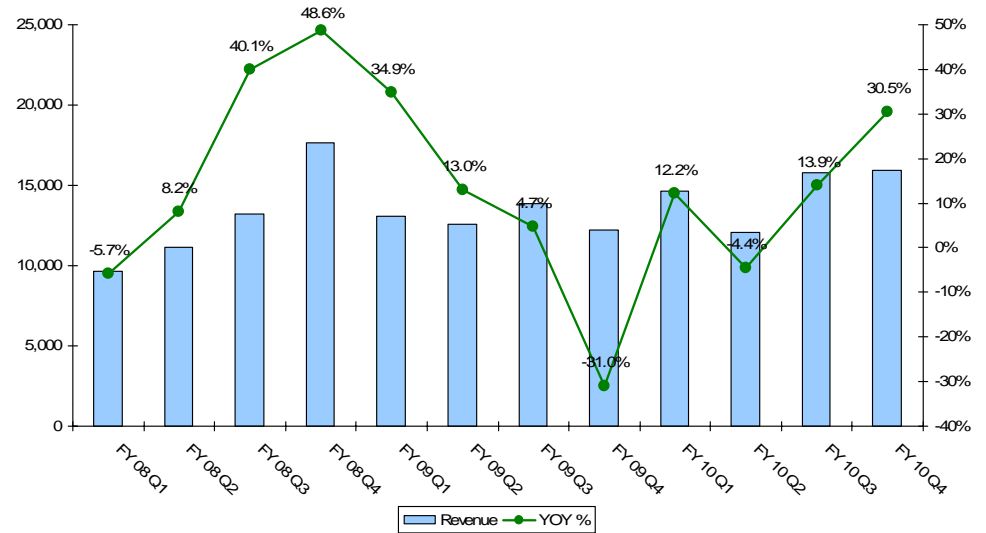
- Delivered 2% top-line growth, driven by Procon and Cooking Solutions
- YOY comparison made difficult by \$2 million rollout in Q4 2009
- Seeing continued Cooking Solutions recovery
- Rate of decline on refrigeration side has slowed; appears to be finding a bottom
- Procon reports double-digit growth; beverage strong while industrial is improving
- Taking market share by pursuing growth opportunities in strategic sales channels and national accounts across the organization

Q4'10 ('000s)	\$	Δ% (yoy)
Revenues	\$19,670	12.5%
Operating Income	\$2,781	135.9%



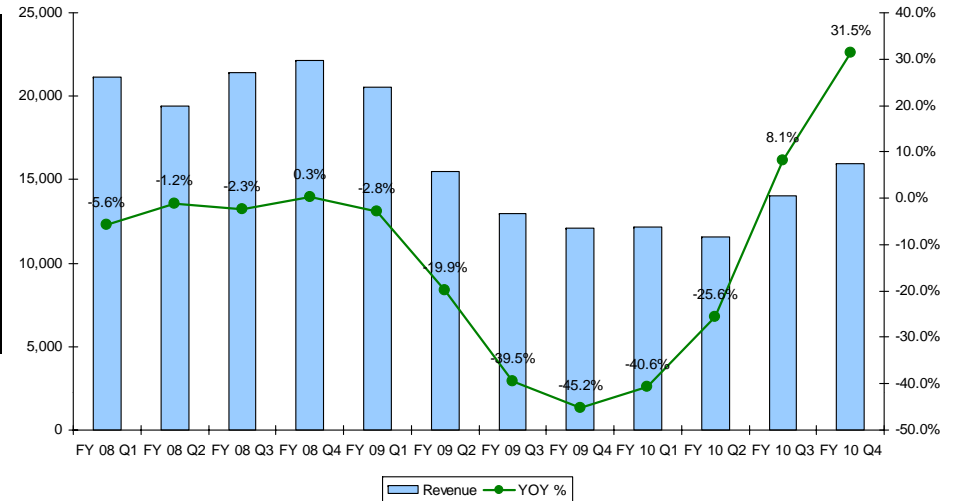
- Strong automotive mold texturizing work in North America and Europe
- Innovent seeing greater systems work carrying higher ASPs
- Roll, plate and machining still soft
- Standex India Private Limited acquisition leverages strong Indian domestic automobile market while improving support for global automotive customers
- Opening third Chinese facility in 1H2011 to capitalize on opportunities with global and domestic OEMs

Q4'10 ('000s)	\$	Δ% (yoy)
Revenues	\$15,917	30.5%
Operating Income	\$3,797	70.4%



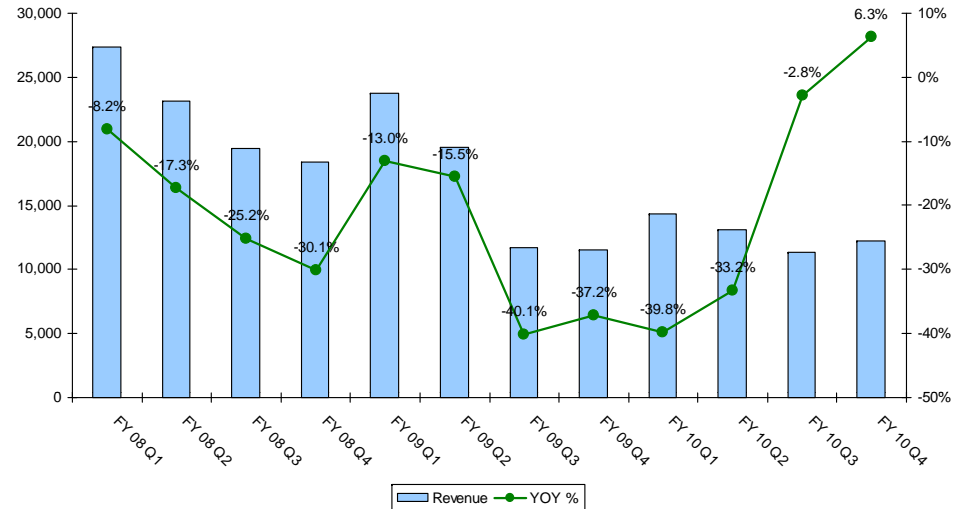
- Exceptionally strong sales and profit during quarter underscored by continued aerospace strength
- Operating income performance driven by volume improvements and cost-reduction and process improvement initiatives
- Diversifying Spincraft's customer base

Q4'10 ('000s)	\$	Δ% (yoy)
Revenues	\$15,983	31.4%
Operating Income	\$1,886	1,340%



- Electronics records double-digit year-over-year growth on broad-based end-market strength
- Operating income underscored by disciplined cost-reduction efforts undertaken during past two years
- End-market stabilization within Hydraulics

Q4'10 ('000s)	\$	Δ% (yoy)
Revenues	\$12,245	6.3%
Operating Income	(\$1,301)	NM



- OI comparison impacted by \$0.6 million of one-time settlement charges in Q4'10 and \$0.8 million less worker's compensation and medical expenses in Q4'09
- Strategic Texas location already generating orders
- New pull sales strategy selling more products to wholesalers in a one-stop-shop approach; offering new, complementary products
- Seeing some price stabilization

- **Positive sales momentum in most end markets**
- **8.8% year-over-year organic growth**
- **Five consecutive quarters of bottom-line improvement during recession**
- **Achieved FY10 non-GAAP EPS of \$2.25/share vs. \$1.56/share in FY09**
- **Delivered 44% increase in FY10 non-GAAP EPS despite 5% decline in sales**
- **Shifted focus from cost-reduction to aggressive organic growth initiatives**
- **Well positioned to leverage new cost structure as end user markets recover**

Q & A Session