

Fiscal 2014 Investor Presentation



September 2014



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Standex at a Glance

Multi-industry manufacturer in five broad segments



Food Service



Engraving



Engineering Technologies

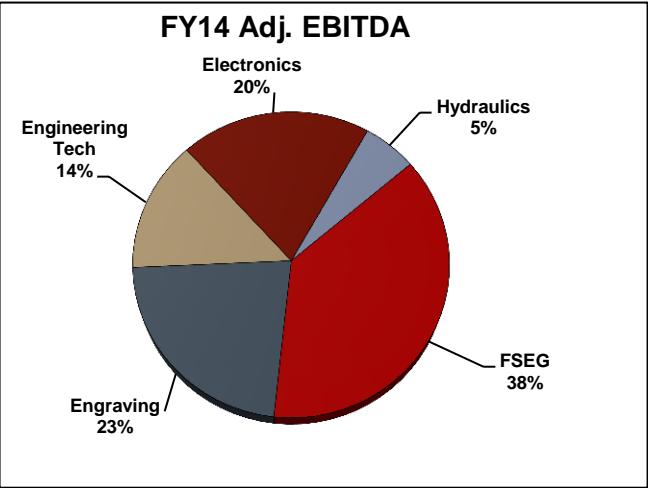
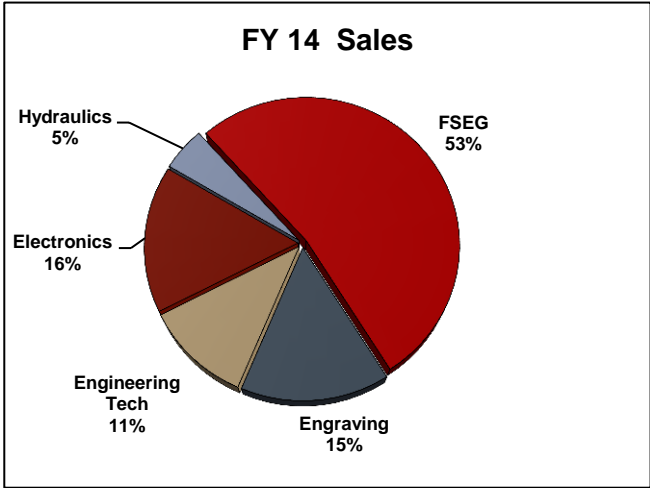


Electronics



Hydraulics

Ticker Symbol: SXI
Market Cap: +\$900M
Quarterly Dividend Per Share: \$0.10
Employees: 4,200
Worldwide locations: 76



Key Financial Targets

Four long-term financial objectives

- Top-line performance:
 - Organic revenue growth at GDP +2-3% per year
 - Acquisition-driven revenue growth of 3-4% per year
- Exceed 15% overall company EBITDA
- Free Cash Flow Conversion of 100% or more
 - Working capital turns average 6.0 or better
- Increasing Returns on Net Assets

SXI Results Versus Key Financial Targets

	Target	One Yr <u>FY 14</u>	Three Yr <u>FY 12-14</u>	Five Yr <u>FY 10-14</u>
<u>CAGR</u>				
Organic Sales Growth	GDP + 2-3%	5.8%	4.8%	4.0%
Acquisitions Sales Growth	3-4%	0.0%	3.8%	2.7%
FX Impact on Sales		0.6%	0.0%	0.0%
Sales CAGR	GDP +5-7%	6.4%	8.6%	6.7%
EPS Continue Ops ex. Special Items CAGR	8-12%	17.2%	12.5%	26.9%
<u>Weighted Average</u>				
EBITDA % ex. Special Items	15.0%	12.8%	12.4%	12.3%
FCF % of NI	100.0%	107.2%	93.0%	89.8%
WC Turns	+6.0	6.0	5.9	5.8

Note:

Sales, EBITDA, WC Turns adjusted for divestitures of AFS and ADP, FCF adjusted for involuntary

Investment Highlights

- Strong Brands in profitable niches
 - Attractive growth and margin potential in all businesses
 - Clear plan of margin improvement in our biggest segment, Food Service
- Disciplined operator
 - Consistent cash flow and disciplined working capital management
 - Strong balance sheet
 - Proven ability to integrate acquisitions
- Paid 200 consecutive quarterly dividends since going public in 1964
- Experienced management team

How We Compete in the Marketplace

Common Thread Driving Growth at Standex is
“Customer Intimacy”



Partner

Develop deep understanding of problems and opportunities customer faces

Solve

Apply our unique engineering and process abilities to create options and test them for selection of best solution

Deliver

Deliver solutions using our global supply chain, customer service and support

Growth Principles

Growth investments to create value with engineered customer solutions

Organic

- Deployment of Standex Growth Disciplines
- Partner with customers to deeply understand their business issues
- Develop engineered solutions to critical customer problems with technical and process abilities
- Invest in critical capital expenditures to support customer programs

Acquisition

- Bolt-ons to expand strategic platforms with complementary products, services or market coverage
- Clearly defined synergy opportunities
- Strong cultural and strategic fit between businesses
- Disciplined valuation modeling internally led processes

Full Year Fiscal 2014 Overview

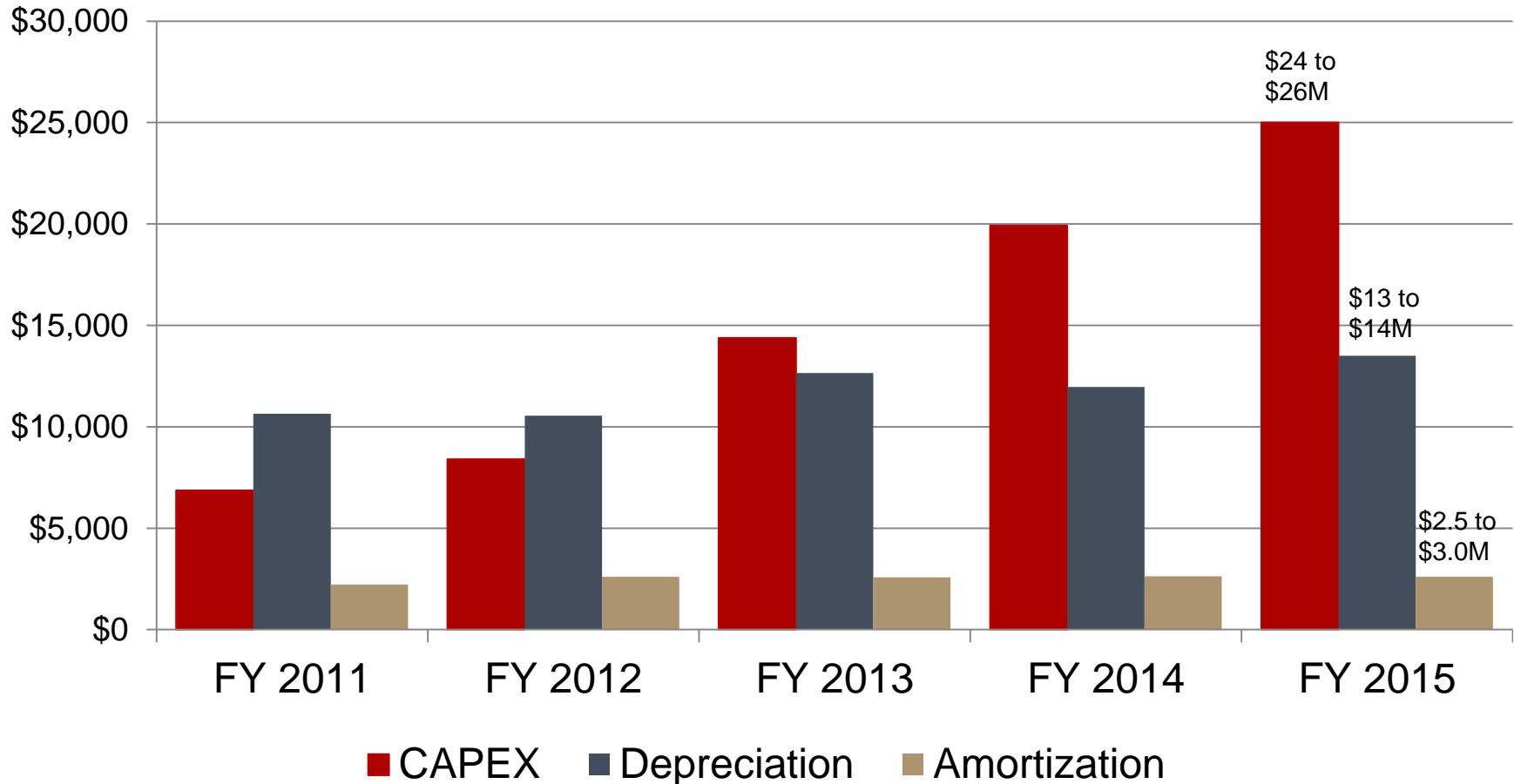
- **Full year sales grew 6.4%**
 - Organic sales +5.8%
 - Acquisitive growth +0.0%
 - FX impact +0.6%
- **Second consecutive record year** for non-GAAP EPS
- **Non-GAAP EPS of \$4.22/share up 17.2% YOY**
- **Strong cash generation:** free cash flow per share from continuing operations at \$4.16
- **Year of important milestones**
 - Smooth CEO transition
 - Repositioned food equipment business
 - Cheyenne closure
 - Ultrafryer acquisition
 - AFS divestiture
 - Transformative aviation wins in Engineering Technologies
 - Electronics, Engraving and Hydraulics hitting full stride

Sales growth, improved EPS, and strong cash flow generation

Full Year Fiscal 2014 Financials

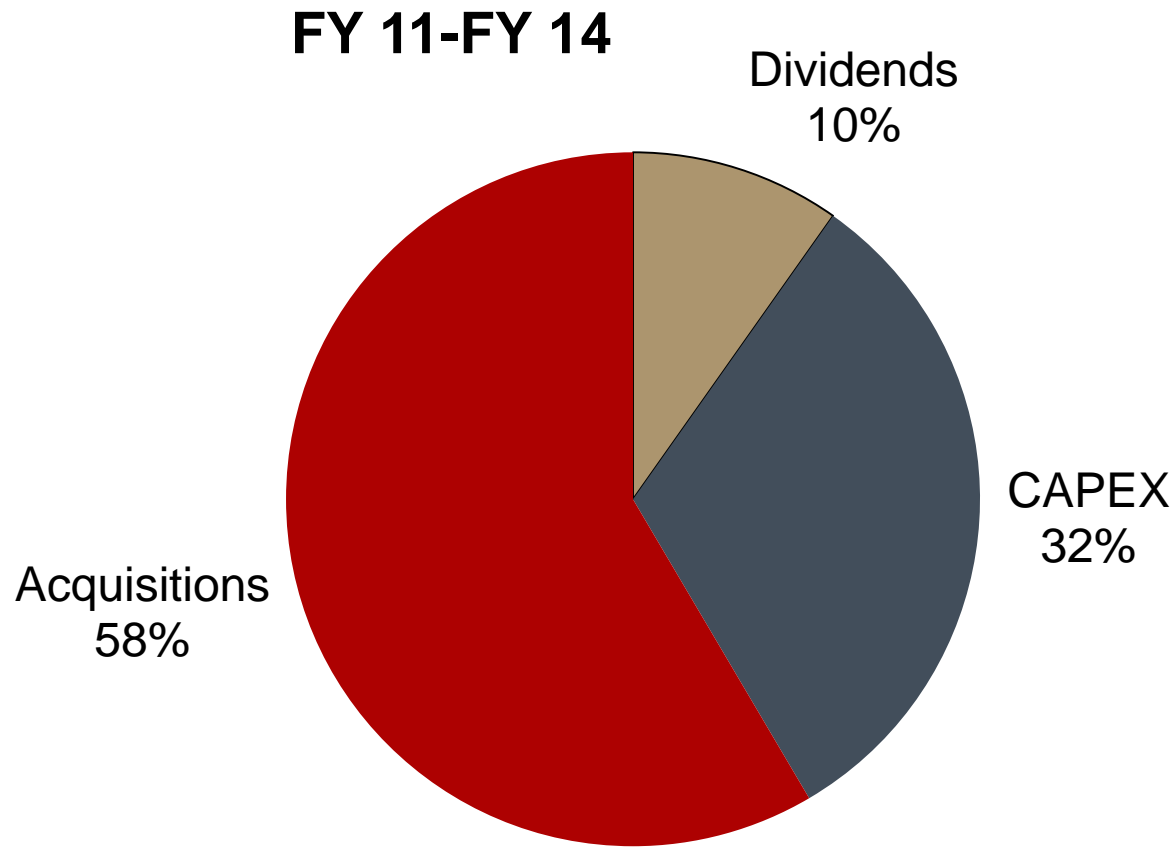
	<u>6/30/14</u>	<u>6/30/13</u>	<u>Delta</u>
Sales	\$716,180	\$673,390	6.4%
Operating Income	\$65,868	\$61,895	6.4%
Operating Income Margin Percentage	9.20%	9.19%	1 bps
Operating Income w/o Special Items	\$76,461	\$66,641	14.7%
Operating Income Margin Percentage w/o Special Items	10.68%	9.90%	78 bps
EBITDA	\$84,643	\$77,002	9.9%
EBITDA Percentage	11.82%	11.44%	38 bps
EBITDA w/o Special Items	\$91,883	\$81,748	12.4%
EBITDA Percentage w/o Special Items	12.83%	12.14%	69 bps
EPS Continuing Ops	\$3.89	\$3.45	12.8%
EPS Continuing Ops w/o Special Items	\$4.22	\$3.60	17.2%

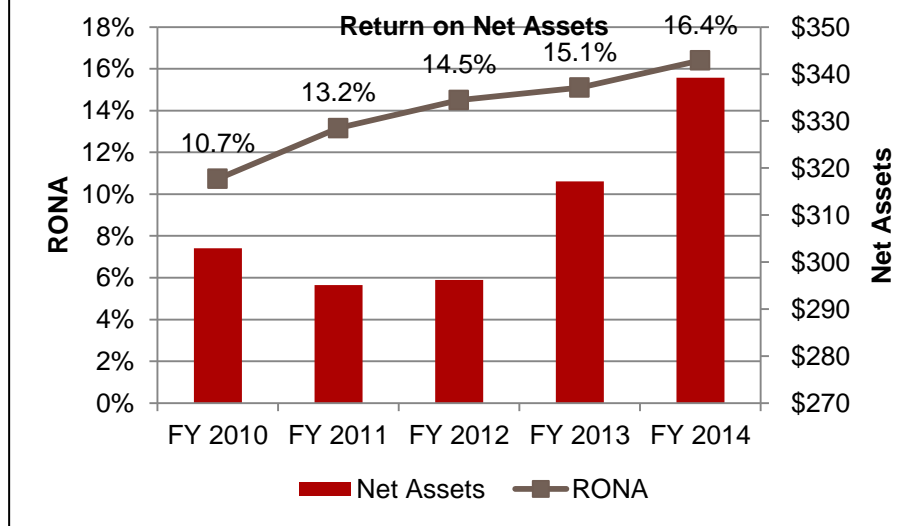
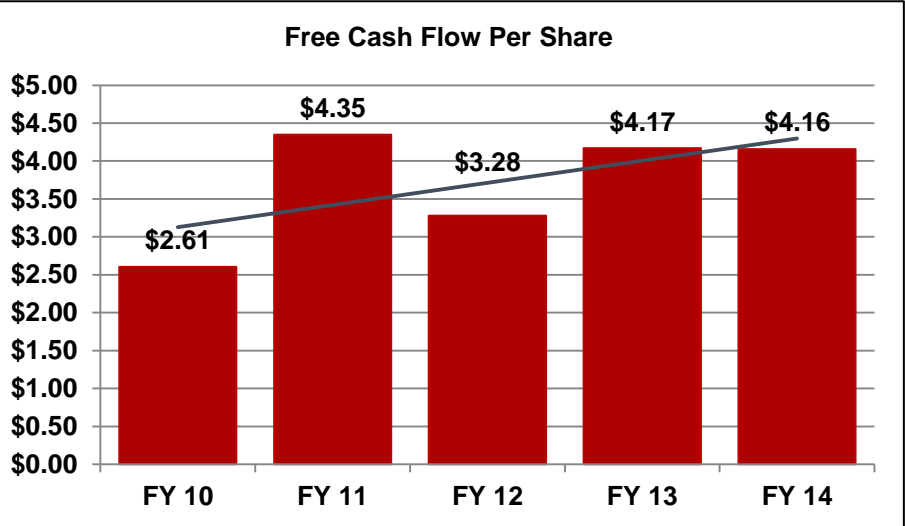
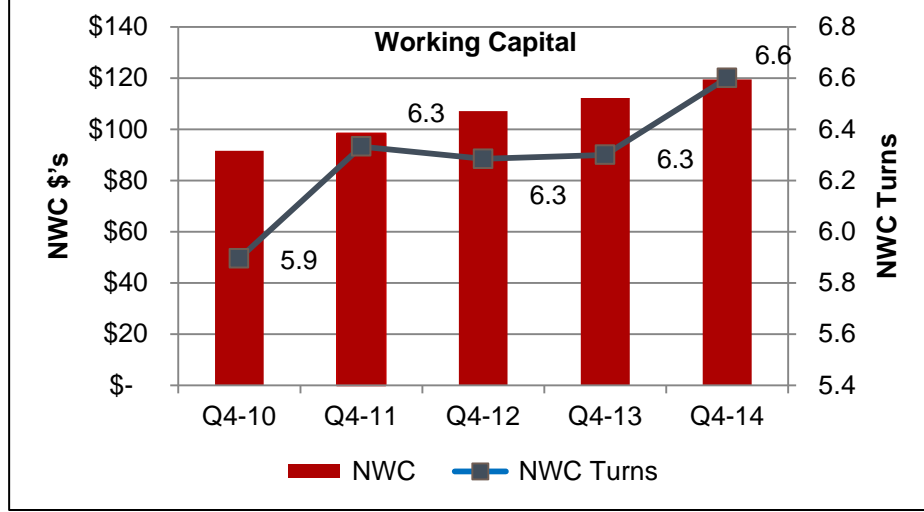
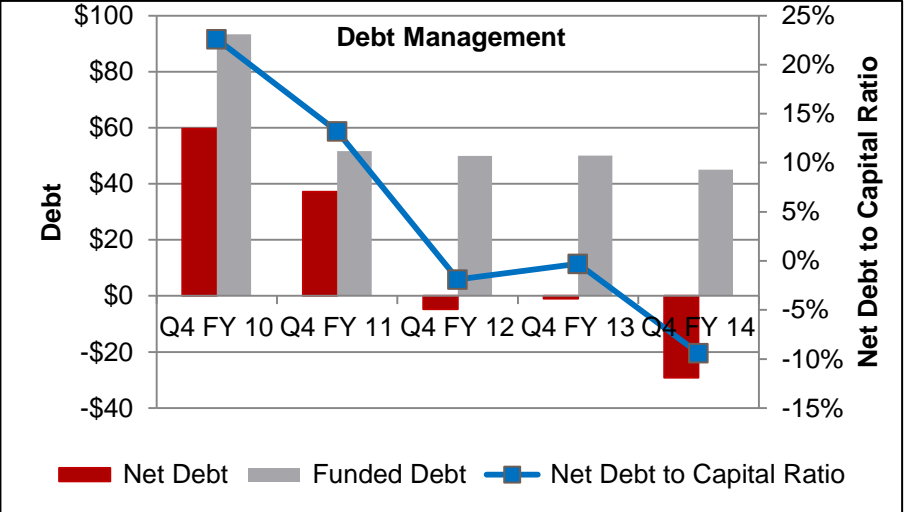
Capital Spending



FY 15 capital spending is estimated to be between \$24–\$26M
Capital spending in FY 15 will be dedicated to automation and key growth programs

Capital Allocation History



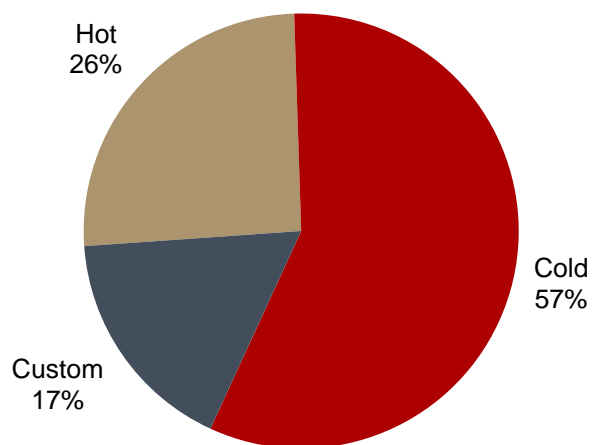


Strong balance sheet and operating metrics

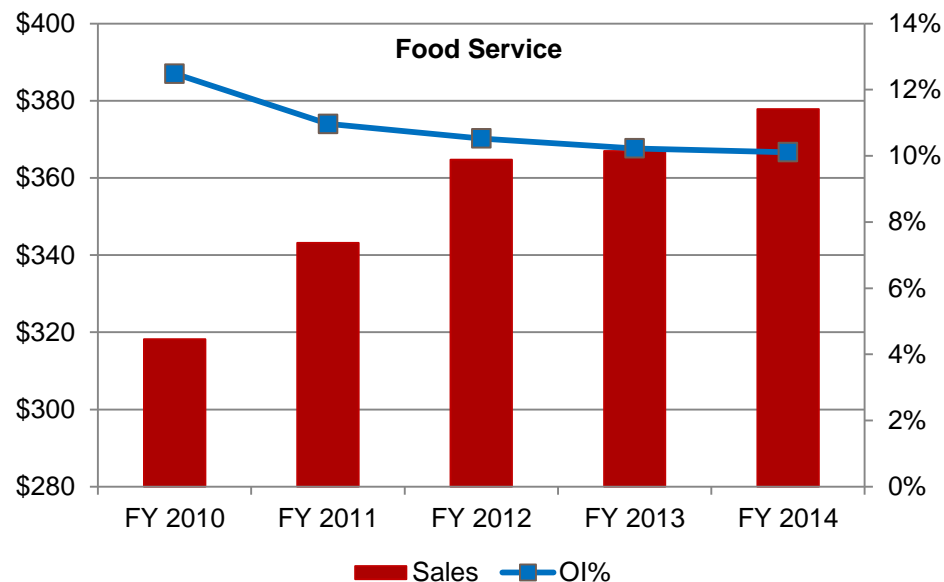
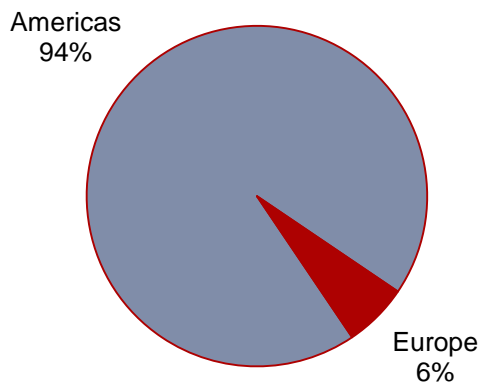
FY 2014

Operational Segment Review

Sales FY 14



Pro Forma Sales by Region FY 14

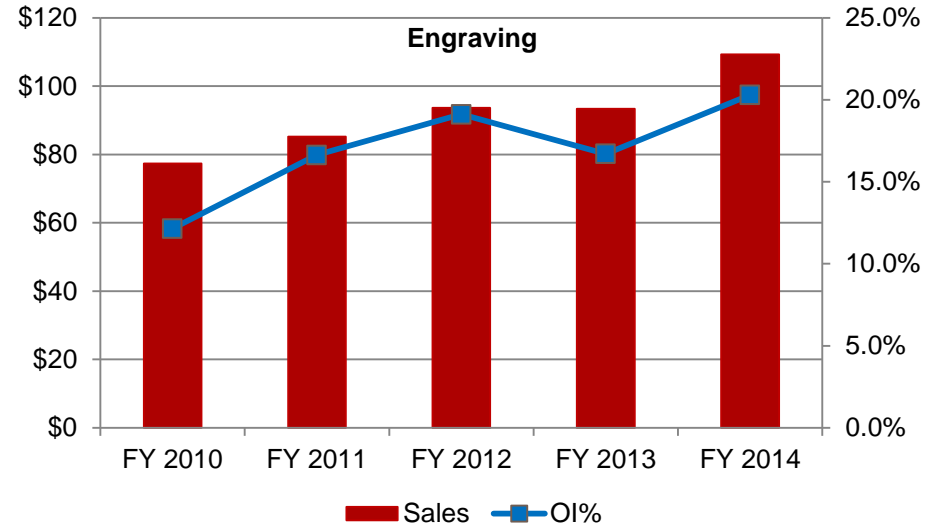
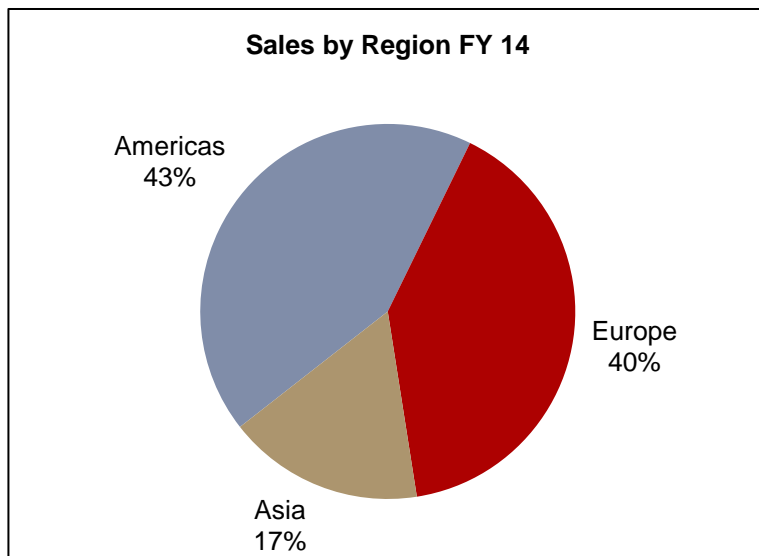
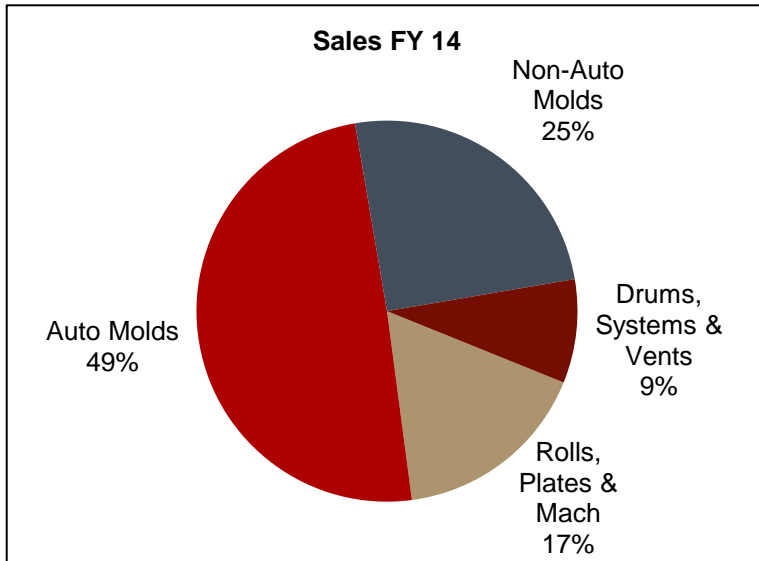


Description

A broad-line manufacturer of innovative commercial Food Service Equipment

Current Focus

- Deliver margin improvement
- Stabilize Nogales performance
 - Plant equipment coming online: laser, auto-forming machine and brake presses
 - Redeploy operations talent to support plant
- Integrate Ultrafryer acquisition
- Begin speed oven sales in Q1 FY 2015



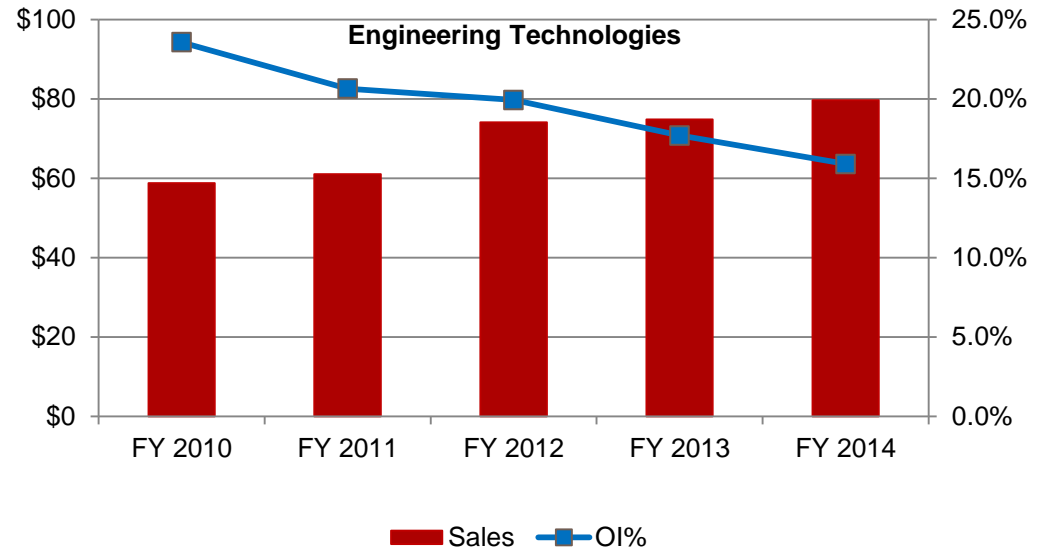
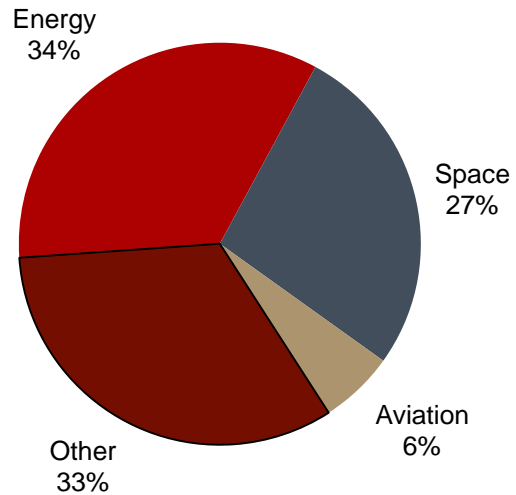
Description

Designs and applies textures to a wide range of materials

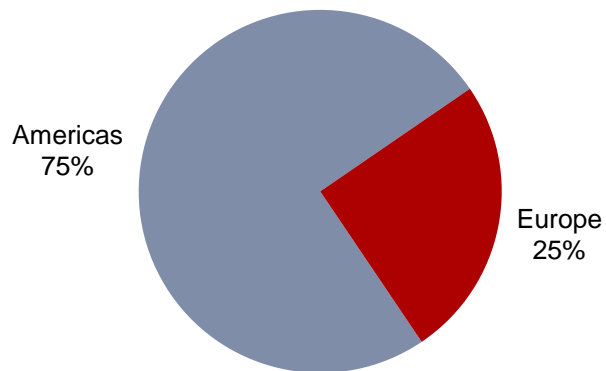
Current Focus

- Open 3 new sites to expand local customer support
- Grow design hub in Manchester UK to work with global auto design departments
- Implement laser and nickel shell investments
- Pursue texture opportunities in non-automotive markets

Sales FY 14



Sales by Region FY 14



Description

Process expertise to deliver critical parts on all metal alloys

Current Focus

- Continue pursuit and development of additional aviation opportunities
- Integrate Enginetics Acquisition
- Complete new machining center installation and start up

Enginetics Acquisition

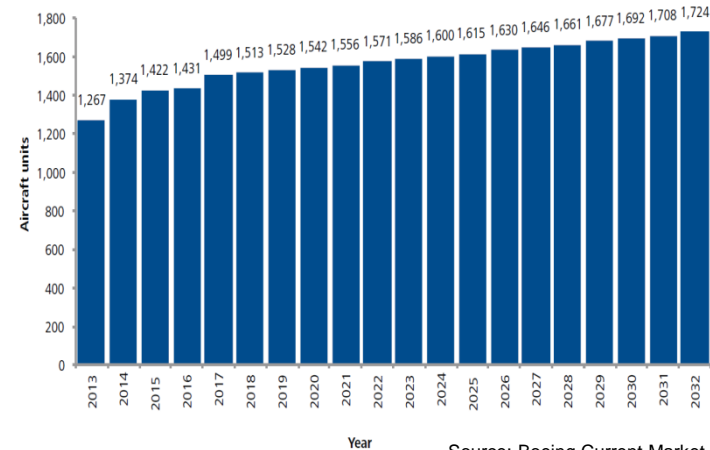
Description

- Manufacturer of unique metal forming capability for the aviation market
- Two plants in US
- Founded in 1976
- Blue chip customers

Benefits

- Expands forming capabilities for the group include stretch, cold and hydro forming
- Awarded Long Term Agreements on next generation engines
- Experienced management team
- Leverage existing customer relationships with the introduction of different solutions across each business

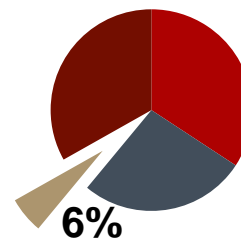
Aircraft delivery forecast (2013 to 2032)



Source: Boeing Current Market Outlook 2014

FY 2014 Sales

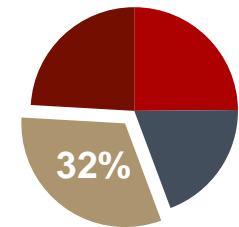
Current Business



\$79,642

Pro forma with Enginetics

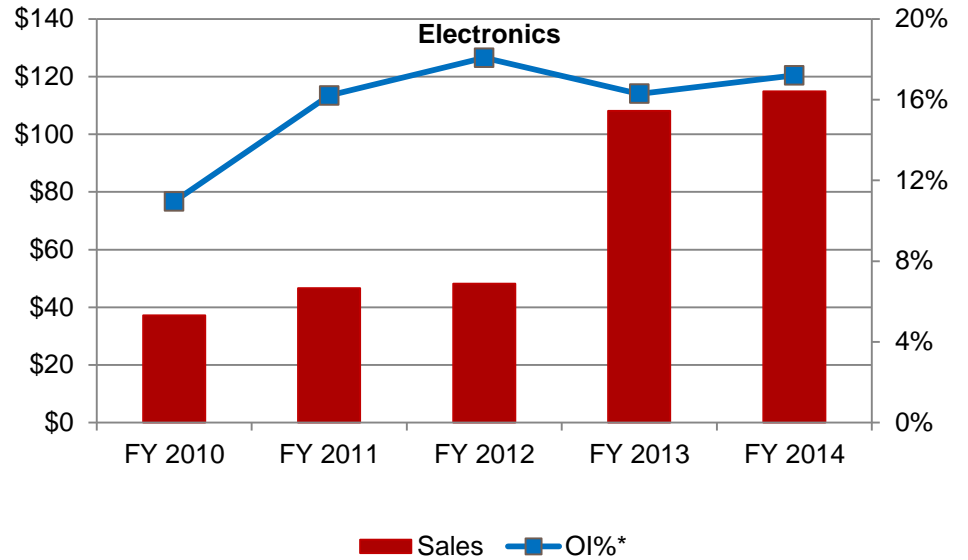
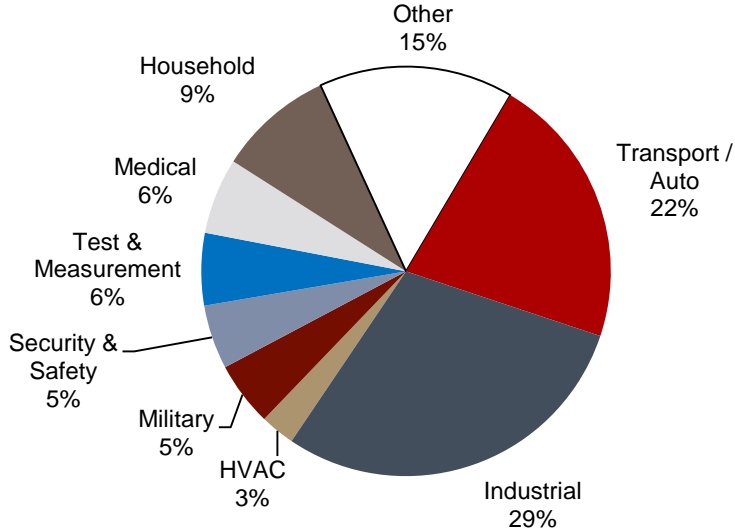
- Energy
- Space
- Aviation
- Other



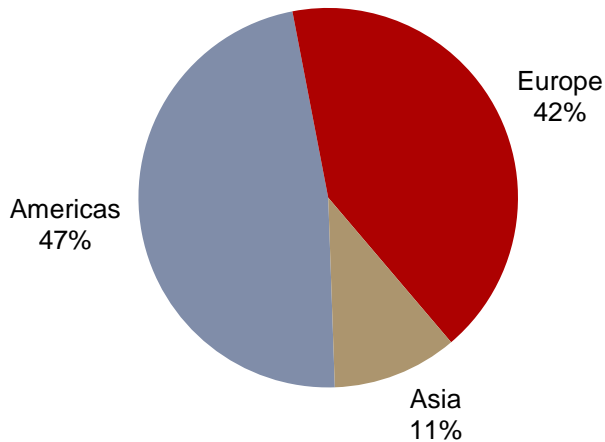
\$109,642

Increases exposure to the steady growing aviation market for high-efficiency engines

Sales FY 14



Sales by Region FY 14



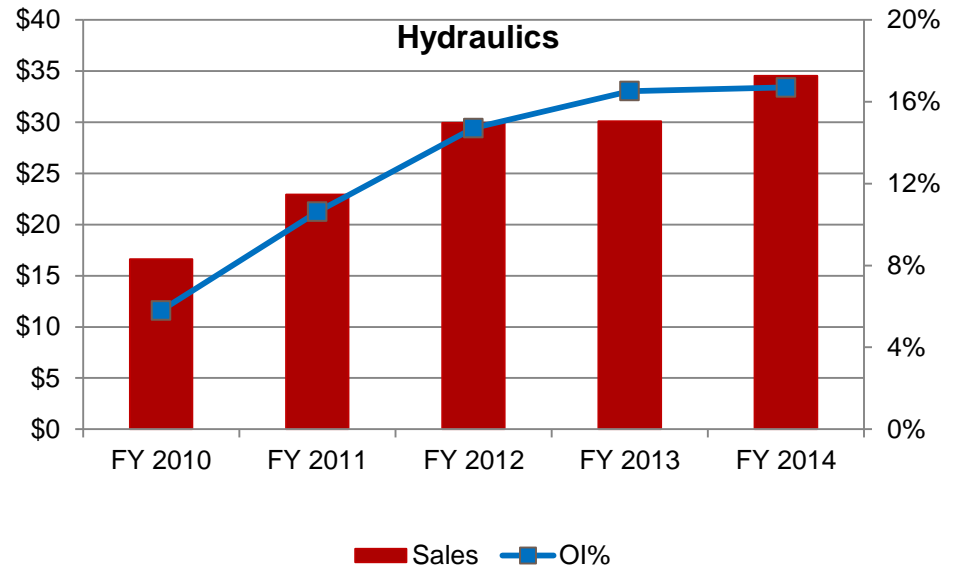
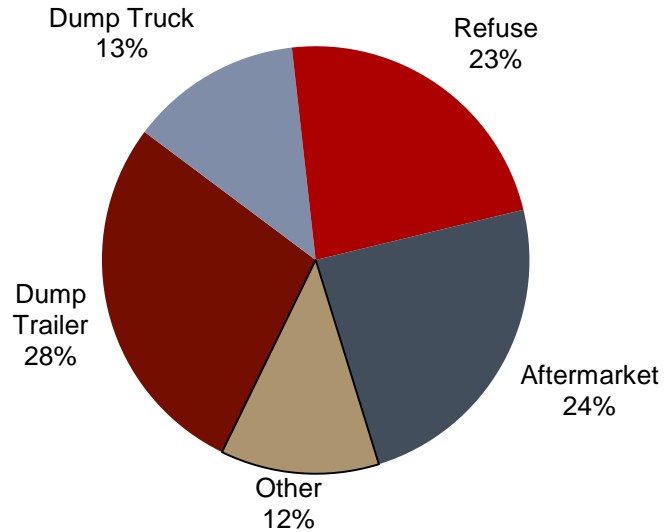
Description

Designs and delivers custom component and sensor assembly solutions

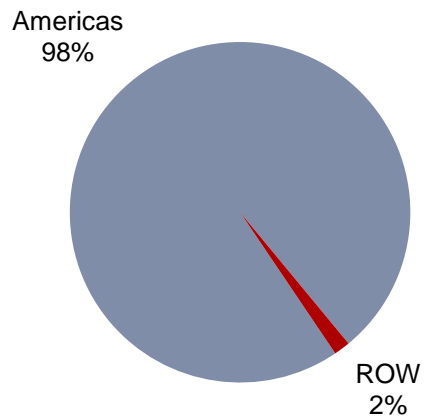
Current Focus

- Integrate Planar product lines
- Continue expanding sensor solution sales in all markets
- Finalize the move of our Mexico plant into the new facility in Q1 FY 2015

Sales FY 14



Sales by Region FY 14



Description

Designs and manufacturers custom mobile hydraulic cylinders

Current Focus

- Expand China plant capacity to support growth
- Pursue new applications outside traditional markets

- Standex is at an inflection point in our history
- We are pursuing growth with a disciplined process
 - Organically through continued focus on customer intimacy
 - Seeking complementary accretive acquisitions
- Balance sheet is well positioned to support additional acquisitions
- Planar, Ultrafryer and Enginetics acquisitions will strengthen our businesses positions in high value and growing segments
- We are furthering Operational Excellence
 - Continuous improvement initiatives in cost reduction and working capital performance
 - LEAN enterprise is a core operating principle in all businesses
- We will drive synergies across the businesses with a common management process