



**Food Service
Equipment**



Engraving



**Engineering
Technologies**



Electronics



Hydraulics

**First Quarter Fiscal 2013
Conference Call
November 1, 2012**

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.

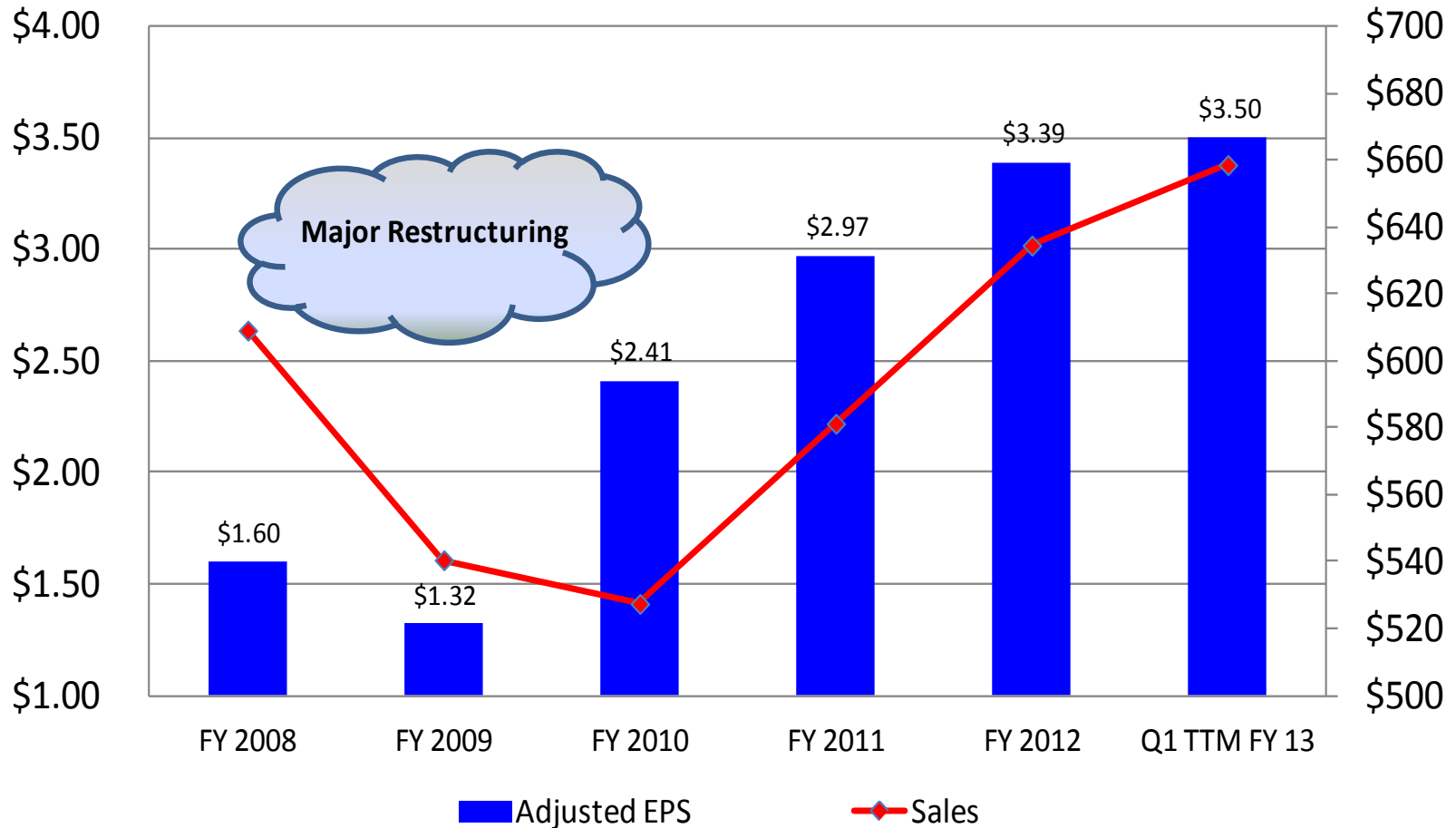
First Quarter 2013 Overview

Strong sales growth coupled with improved profitability

- **Strong YOY sales growth in Q1**
 - **Q1 total sales up 15.1%**
 - **Organic sales +7.7%**
 - **Acquisitions +8.8%**
 - **FX impact of -1.3%**
- **All five groups reported YOY sales growth**
- **Four of five groups reported YOY operating income growth**
- **Q1 non-GAAP operating income +16.2% and non-GAAP EPS of \$1.02/share +10.9%**
- **At end of Q1 net debt is \$35 million and net debt-to-capital ratio is 12.1%**
- **Balance sheet is well positioned to support both organic and acquisitive investments**

Historical Financial Performance

Continued EPS Expansion



Quarterly Results

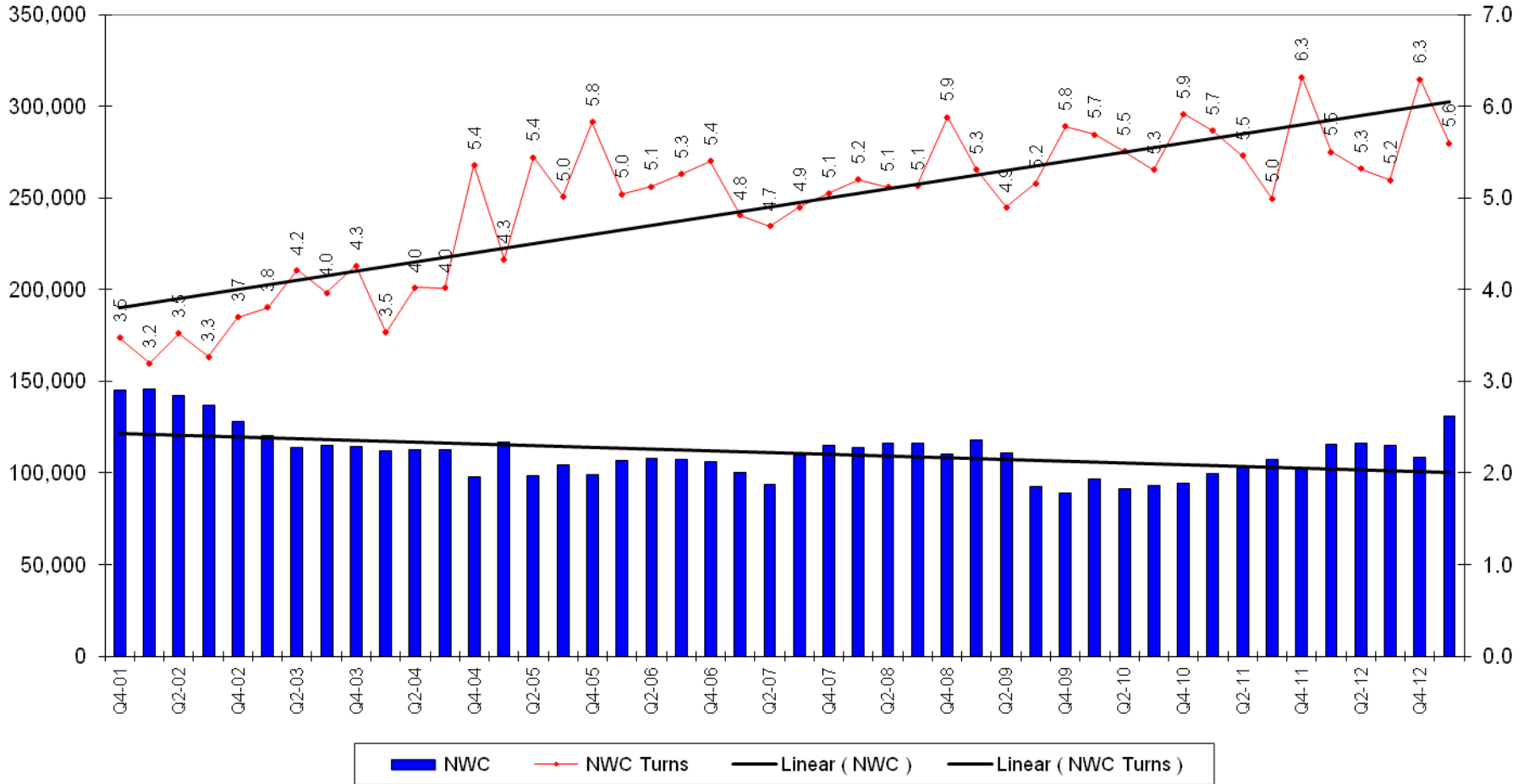
	Q1 FY 2013	Q1 FY 2012	Delta
Sales	\$ 183.386	\$ 159.306	15.1%
Operating Income	\$ 17.626	\$ 16.114	9.4%
Operating Income Margin	9.61%	10.12%	-50 bps
Operating Income excl Special Items	\$ 19.326	\$ 16.636	16.2%
Operating Income Margin % excl Special Items	10.54%	10.44%	10 bps
EBITDA	\$ 21.420	\$ 19.833	8.0%
EBITDA %	11.68%	12.45%	-77 bps
EBITDA w/o Special Items	\$ 23.120	\$ 20.355	13.6%
EBITDA % w/o Special Items	12.61%	12.78%	-17 bps
EPS Continue Ops	\$ 0.93	\$ 0.93	0.0%
EPS Continue Ops w/o Special Items	\$ 1.02	\$ 0.92	10.9%

Quarterly Bridge

<u>Quarter Comparison Prior Year</u>	<u>Net Income Q1</u>			<u>EPS Q1</u>		
	<u>FY 13</u>	<u>FY 12</u>	<u>% Change</u>	<u>FY 13</u>	<u>FY 12</u>	<u>% Change</u>
Net Income Continuing Operations	\$ 11,925	\$ 11,820	0.9%	\$ 0.93	\$ 0.93	0.0%
<u>Add:</u>						
Restructuring (Tax Effected)	\$ 154	\$ 342		\$ 0.01	\$ 0.03	
Non-Cash Purchase Accounting	\$ 1,028	\$ -		\$ 0.08	\$ -	
<u>Less:</u>						
Non Recurring Tax Items	\$ -	\$ (530)		\$ -	\$ (0.04)	
Proforma Net Income from Continuing Operations	<u>\$ 13,107</u>	<u>\$ 11,632</u>	<u>12.7%</u>	<u>\$ 1.02</u>	<u>\$ 0.92</u>	<u>10.9%</u>

New Working Capital

Working Capital turns show improvement over time

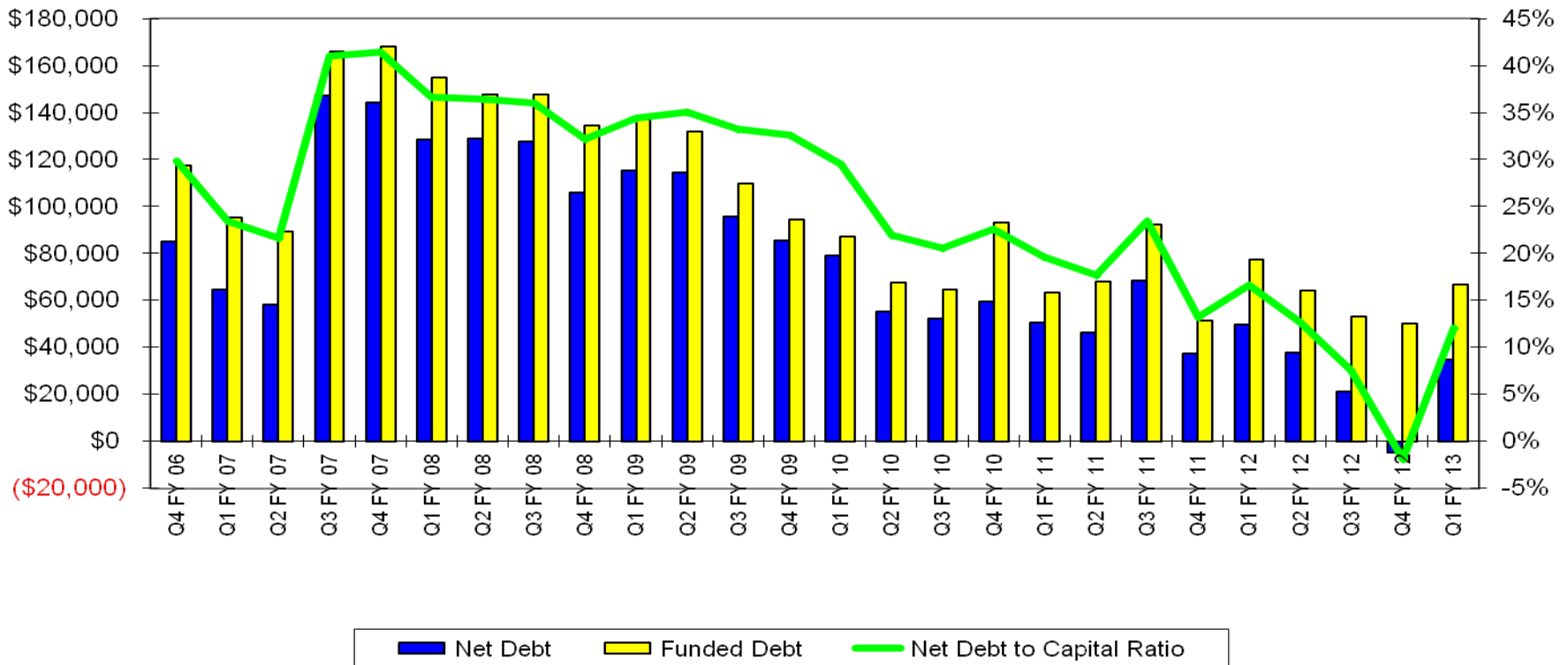


Cash Flow

	Q1	Q1
<u>Free operating cash flow (continuing ops):</u>	<u>FY2013</u>	<u>FY2012</u>
Net cash provided by operating activities, as reported	\$ 9,509	\$ (2,676)
Less: Capital Expenditures	(4,905)	(2,258)
Add: Voluntary Pension Contribution	<u>3,250</u>	<u>-</u>
Free operating cash flow	\$ 7,854	\$ (4,934)
Net Income	<u>11,925</u>	<u>11,820</u>
Conversion of free operating cash flow	<u>65.9%</u>	<u>-41.7%</u>

- Increased capital spending in FY2013 to fund top-line growth initiatives and productivity improvements
- Estimated capital spend of \$14-\$15 million

Debt Management



- Net Debt to Capital at 12.1% as of September 30, 2012
 - Includes July 1st acquisition of Meder Electronics
- Capacity to fund organic initiatives, productivity improvements and bolt on acquisitions

First Quarter FY 2013 Operational Segment Review

Food Service Equipment Group



Q1'13 ('000s)	\$	Δ% YOY
Revenues	\$ 109,323	4.9%
Operating Income	\$ 13,348	7.6%
OI Margin	12.2%	

- Strong sales growth at Refrigerated Solutions
 - Demand from quick serve restaurants, drug retail stores & dollar store segment
 - Rack refrigeration and value line products performing well
- Cooking Solutions has stabilized
 - Reported flat income on slight decline in revenue
 - Negatively impacted by lower sales to UK and US grocery store segment
- Custom business saw good demand; Dispensing business still weak
- Refrigeration profitability continues to improve
- Efforts to improve Cooking Solutions profitability ongoing

Engraving Group



Q1'13 ('000s)	\$	Δ% YOY
Revenues	\$ 23,356	7.6%
Operating Income	\$ 4,552	17.4%
OI Margin	19.5%	

- ❑ Engraving up 14.2% on constant currency basis
- ❑ Strong demand continues for mold texturizing business globally
 - Share gains driven by global infrastructure, technology and project management capabilities
- ❑ Seeing good demand for smaller programs and minor refresh projects
- ❑ Roll engraving and machinery business reports YOY sales growth
- ❑ Innovent growth driven by emerging markets and aerospace
- ❑ Continue to invest in emerging market strategy with new facilities in Brazil, India and Korea planned for FY13
- ❑ Volume leverage and favorable sales mix drove strong profitability

Engineering Technologies Group



Q1'13 ('000s)	\$	Δ% YOY
Revenues	\$ 15,730	7.5%
Operating Income	\$ 1,693	-34.4%
OI Margin	10.8%	

- Sales growth driven by aerospace, aviation and land-based turbine markets
- Oil & Gas market expected to remain soft into third fiscal quarter
- YOY operating income performance negatively affected by:
 - Significantly less high-margin oil & gas sales in Q3 2012
 - Greater mix of low-margin aerospace development program work

Electronics Group



Q1'13 ('000s)	\$	Δ% YOY
Revenues	\$ 27,839	138.1%
Operating Income	\$ 3,088	45.2%
OI Margin	11.1%	
Adjusted OI	\$ 4,548	213.9%
Adjusted OI Margin	16.3%	

- ❑ Legacy Standex Electronics business up in high single digits with operating income up in double digits
- ❑ Sales from new customer programs continue to ramp
- ❑ Softening of reed switch sales in China and Asia Pacific
- ❑ Committed to new facility in Mexico to provide additional capacity
 - \$2.5M investment; Expected to be ready for production in Q1 FY'14
- ❑ Meder accretive to earnings, inclusive of purchase accounting
 - Upwardly revising accretion expectations for FY 2013 to \$0.15-0.20 per share

Hydraulics Group



Q1'13 ('000s)	\$	Δ% YOY
Revenues	\$ 7,138	0.9%
Operating Income	\$ 971	43.6%
OI Margin	13.6%	

- ❑ Decrease in demand in North American dump trailer market
- ❑ Export sales weak
- ❑ Success continues in penetrating refuse handling application market
- ❑ Excellent operating income growth due to cost-reduction and productivity improvement initiatives

Summary

- ❑ Solid performance in Q1 on both top and bottom lines
- ❑ Organic growth initiatives across all segments contributed to sales and operating income
- ❑ Meder demonstrates success of acquisition strategy; Business performing well and FY2013 accretion expectations revised upward
- ❑ Balance sheet well positioned to support future bolt-on acquisitions
- ❑ Overall business is well positioned with some caution due to macro-economic environment

Q & A Session