



INTERNATIONAL CORPORATION



**Food Service
Equipment**



Engraving



**Engineering
Technologies**



Electronics



Hydraulics



**Air
Distribution**

**Fourth Quarter Fiscal 2011
Conference Call
September 7, 2011**

**SXI
LISTED
NYSE**

Overview

- Roger Fix – President & Chief Executive Officer

Financial Review

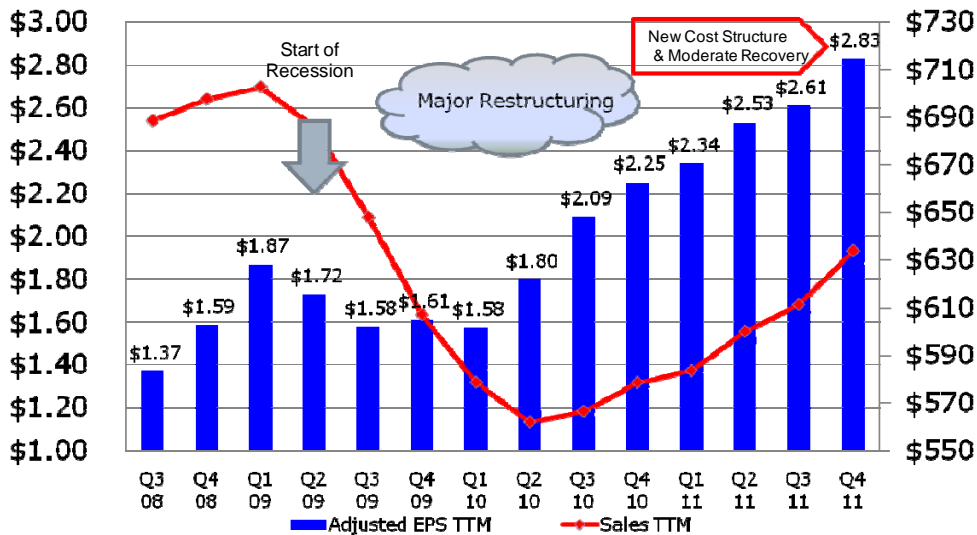
- Tom DeByle – Chief Financial Officer

Segment Results and Outlook

- Roger Fix – President & Chief Executive Officer

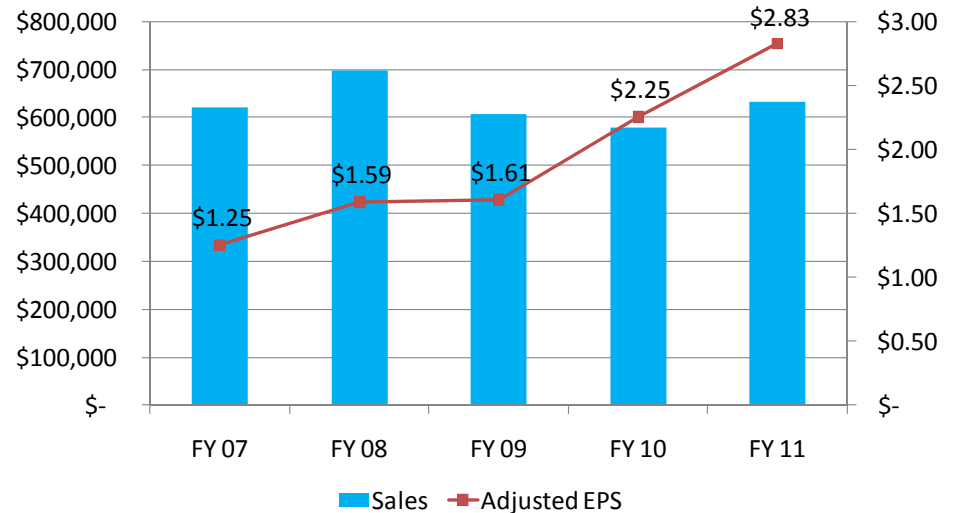
Statements in this presentation include, or may be based upon, management's current expectations, estimates and/or projections about Standex's markets and industries. These statements are forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Actual results 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 are uncertainty in conditions in the financial and banking markets, general domestic and international economy including more specifically increases in raw material costs, the ability to substitute less expensive alternative raw materials, the heavy construction vehicle market, the new residential construction market, reduced capital spending by customers, successful expansion and automation of manufacturing capabilities and diversification efforts in emerging markets, the ability to achieve cost savings through lean manufacturing and low cost sourcing, effective completion of plant consolidations and the other factors discussed in the Annual Report of Standex on Form 10-K for the fiscal year ending June 30, 2010, 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.

- **Robust YOY sales growth in Q4**
 - **Q4 total sales up 14.8% – all five segments report growth**
 - **Organic sales +9.3%**
 - **Acquisition growth +3.7%**
 - **FX effect of +1.8%**
- **FY2011 sales +9.6% YOY**
- **Record non-GAAP full year earnings of \$2.83/share +26% versus prior year**
- **Non-GAAP operating income +19% and non-GAAP EPS +34% for Q4 led by Engraving, Electronics and Hydraulics**
- **Price increases, cost reduction and facility consolidation initiatives in place to address Food Service Equipment Group margins**
- **Demand trend continues to be positive in most end-user markets despite growing uncertainty in global economic recovery**
- **Recent acquisitions continuing to perform well**



- Achieved FY 11 \$2.83/share vs. pre-recession TTM \$1.87/share in Q1 FY 09
- Delivered 51% increase in non-GAAP TTM EPS despite 10% sales decline from our pre-recession peak in 1Q09

- SXI continues to leverage new cost structure
- Record non-GAAP EPS \$2.83/Share
- Adjusted EPS CAGR at 22.7%



(\$ in millions, except per share data)

	Q4 FY 2011	Q4 FY 2010	Delta
Sales	\$ 174.579	\$ 152.081	14.8%
Operating Income	\$ 14.734	\$ 12.194	20.8%
Operating Income Margin	8.44%	8.02%	42 bps
Operating Income excl Special Items	\$ 15.732	\$ 13.248	18.8%
Operating Income Margin % excl Special Items	9.01%	8.71%	30 bps
EBITDA	\$ 18.553	\$ 15.943	16.4%
EBITDA %	10.63%	10.48%	14 bps
EBITDA w/o Special Items	\$ 19.551	\$ 16.997	15.0%
EBITDA % w/o Special Items	11.20%	11.18%	2 bps
EPS Continue Ops	\$ 0.81	\$ 0.67	20.9%
EPS Continue Ops w/o Special Items	\$ 0.86	\$ 0.64	34.4%

Proforma net income and EPS exceed 34% improvement YOY

(\$ in thousands, except per share data)

<u>Quarter Comparison Prior Year</u>	<u>Net Income Q4</u>			<u>EPS Q4</u>		
	<u>FY 11</u>	<u>FY 10</u>	<u>% Change</u>	<u>FY 11</u>	<u>FY 10</u>	<u>% Change</u>
Net Income Continuing Operations	\$ 10,344	\$ 8,540	21.1%	\$ 0.81	\$ 0.67	20.9%
<u>Add:</u>						
Restructuring (Tax Effected)	\$ 276	\$ 56		\$ 0.02	\$ -	
Supplier Dispute Resolution		\$ 634			\$ 0.05	
Acquisition-related expenses	\$ 378	\$ -		\$ 0.03	\$ -	
<u>Less:</u>						
Non Recurring Tax Items	\$ -	\$ (1,070)		\$ -	\$ (0.08)	
Proforma Net Income from Continuing Operations	<u>\$ 10,998</u>	<u>\$ 8,160</u>	<u>34.8%</u>	<u>\$ 0.86</u>	<u>\$ 0.64</u>	<u>34.4%</u>

(\$ in millions, except per share data)	Full Year FY 2011	Full Year FY 2010	Delta
Sales	\$ 633.753	\$ 578.454	9.6%
Operating Income	\$ 52.427	\$ 42.266	24.0%
Operating Income Margin	8.27%	7.31%	97 bps
Operating Income excl Special Items	\$ 52.958	\$ 45.602	16.1%
Operating Income Margin % excl Special Items	8.36%	7.88%	47 bps
EBITDA	\$ 66.372	\$ 57.427	15.6%
EBITDA %	10.47%	9.93%	55 bps
EBITDA w/o Special Items	\$ 66.903	\$ 60.763	10.1%
EBITDA % w/o Special Items	10.56%	10.50%	5 bps
EPS Continue Ops	\$ 2.83	\$ 2.20	28.6%
EPS Continue Ops w/o Special Items	\$ 2.83	\$ 2.25	25.8%

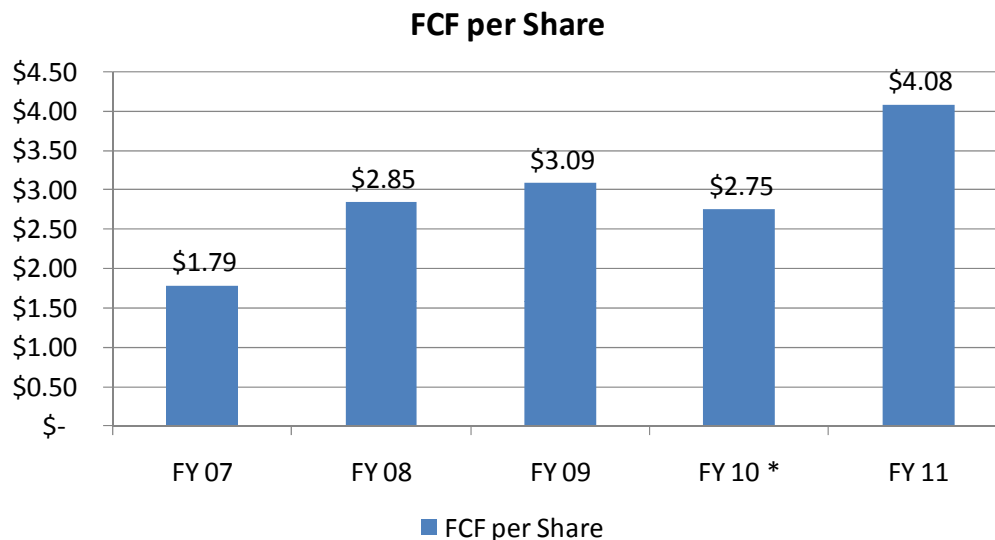
Standex FY 2011 Bridge

Proforma net income and EPS exceed 25% improvement YOY

(\$ in thousands, except per share data)

<u>Full Year Comparison</u>	<u>Full Year</u>			<u>EPS YTD</u>		
	<u>FY 11</u>	<u>FY 10</u>	<u>% Change</u>	<u>FY 11</u>	<u>FY 10</u>	<u>% Change</u>
Net Income Continuing Operations	\$ 36,148	\$ 27,960	29.3%	\$ 2.83	\$ 2.20	28.6%
<u>Add:</u>						
Restructuring (Tax Affected)	\$ 1,339	\$ 2,471		\$ 0.10	\$ 0.19	
Supplier Dispute Resolution		\$ 634			\$ 0.05	
Acquisition-related expenses	\$ 1,215			\$ 0.10		
<u>Less:</u>						
Building Sales	\$ (2,169)	\$ (920)		\$ (0.16)	\$ (0.07)	
Non Recurring Tax Items	\$ (503)	\$ (1,470)		\$ (0.04)	\$ (0.12)	
Proforma Net Income from Continuing Operations	<u>\$ 36,030</u>	<u>\$ 28,675</u>	<u>25.6%</u>	<u>\$ 2.83</u>	<u>\$ 2.25</u>	<u>25.8%</u>

Strong cash flow Q4 and full year 2011



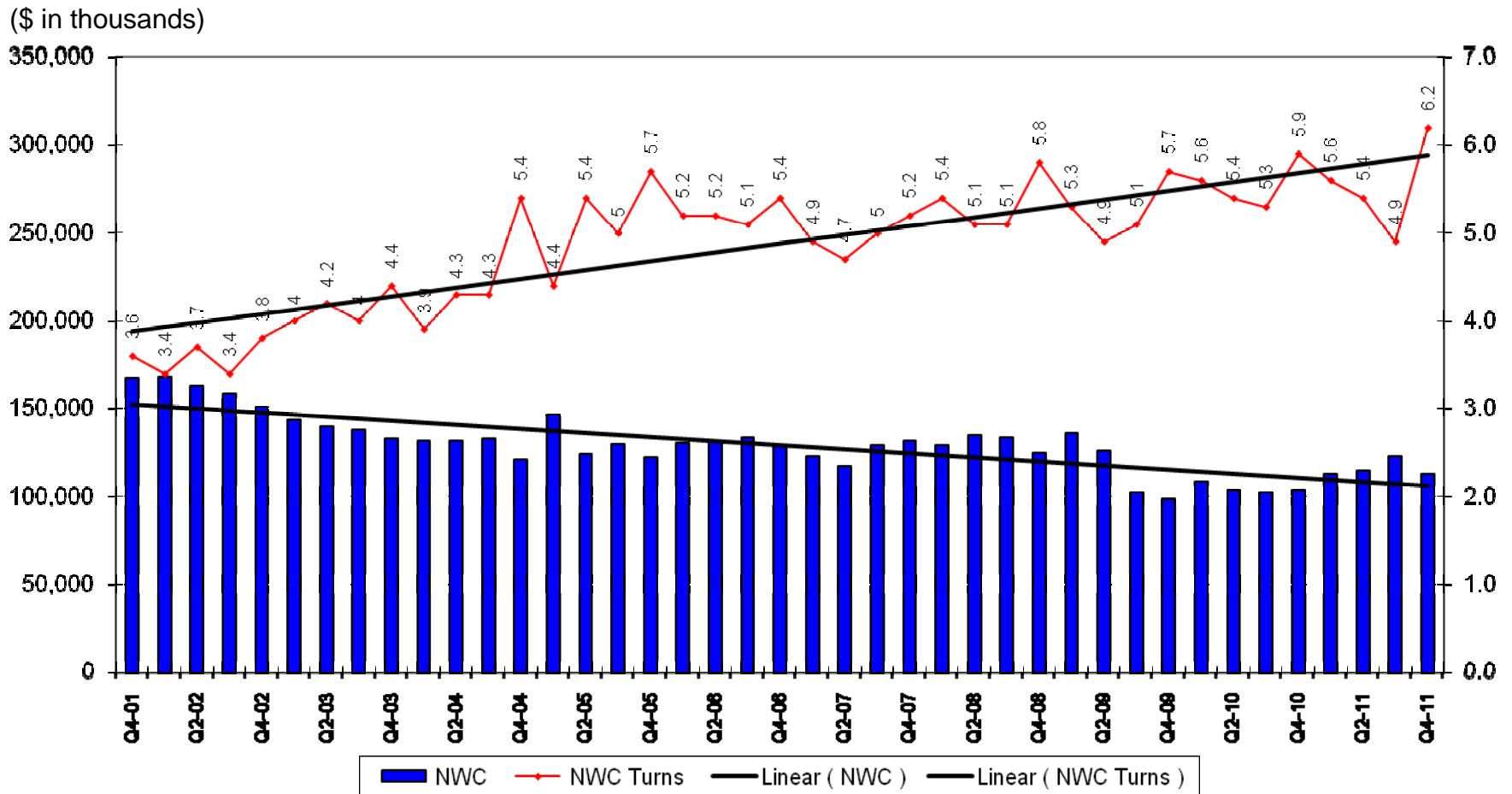
(\$ in thousands)

* Adjusted for \$16.7M Voluntary Pension Contribution

Free operating cash flow:

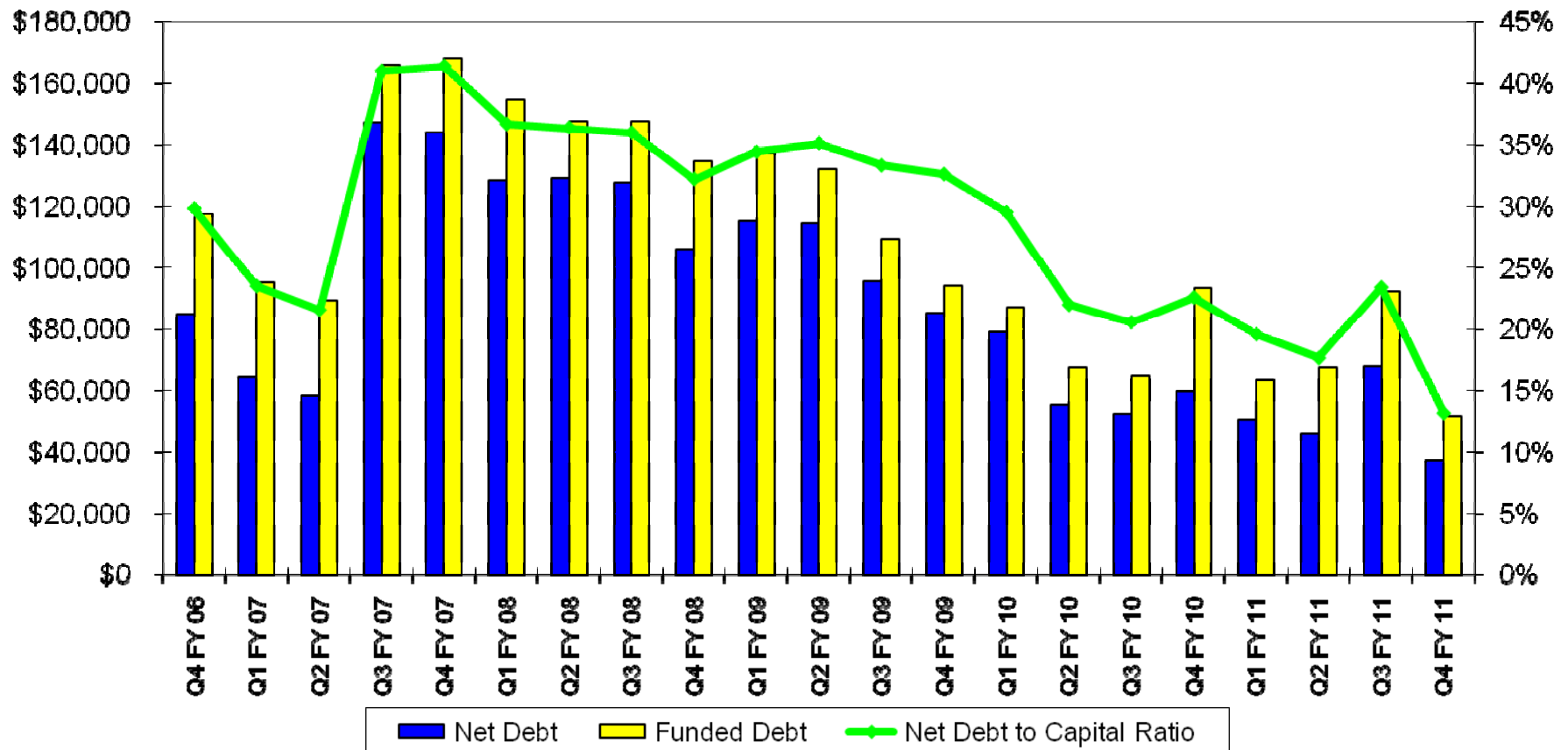
	Q4 FY2011	Q4 FY2010	FY 2011	FY 2010
Net cash provided by operating activities, as reported	\$ 32,451	\$ (7,778)	\$ 56,337	\$ 21,401
Less: Capital Expenditures	(1,114)	(1,050)	(6,048)	(4,030)
Add: Voluntary pension contributions	-	16,721	-	16,721
Free operating cash flow	\$ 31,337	\$ 7,893	\$ 50,289	\$ 34,092
Net Income	10,270	8,362	35,367	28,699
Conversion of free operating cash flow	305.1%	94.4%	142.2%	118.8%

Working capital turns returned to historical norms in Q4



Net debt to capital at 13.2% as of June 30, 2011

(\$ in thousands)

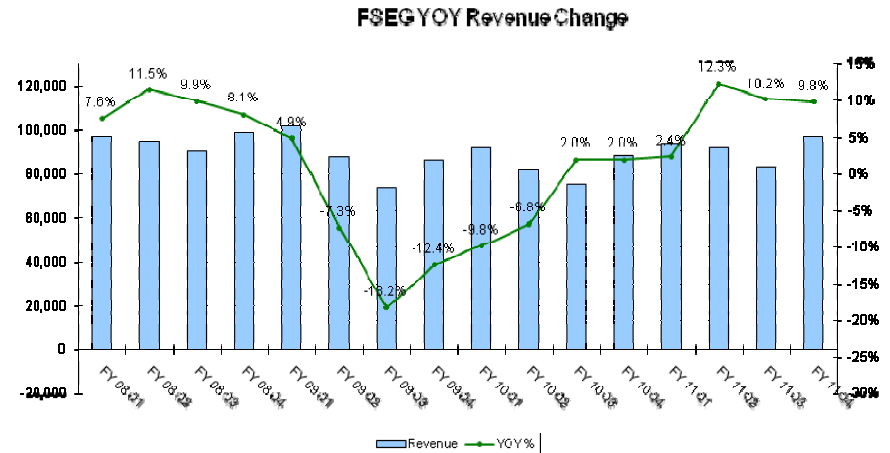




- Target capital spend to be roughly equal to depreciation over the long term
- FY 2009-FY 2011 capital expenditures were limited to “critical to operations” projects
- FY 2012 capital spending will be focused on:
 - Growth Initiatives
 - Cost Reductions

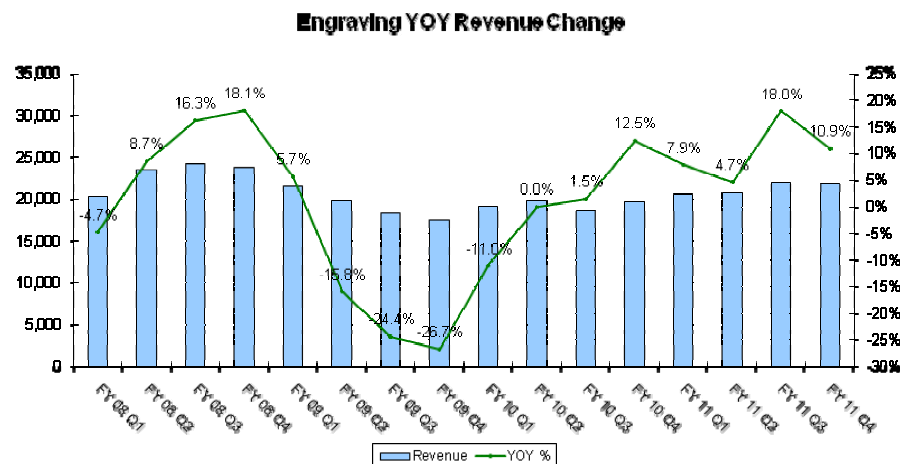
Fourth Quarter FY11 Operational Segment Review

Q4'11 ('000s)	\$	Δ% (yoy)
Revenues	\$96,935	9.8%
Operating Income	\$9,993	-8.2%



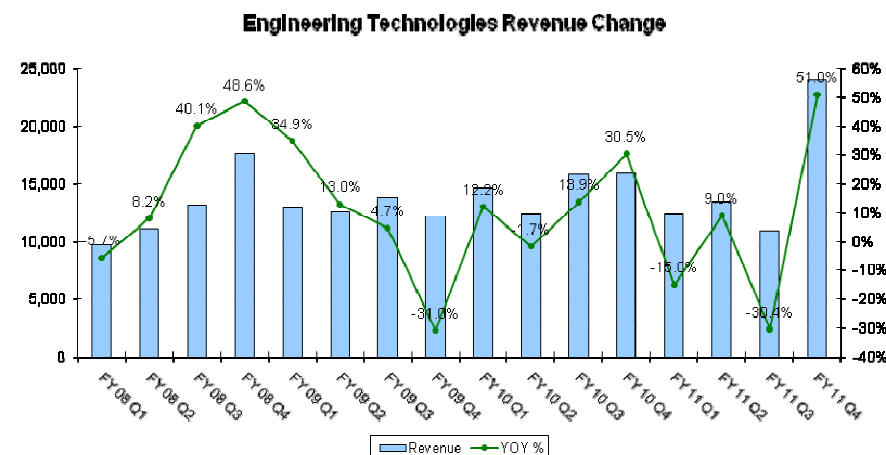
- Refrigeration margins negatively affected by:
 - YOY sales price and commodity cost comparisons
 - Mix shift toward dealer channel
 - Mix shift toward reach-in products
- Cooking Solutions delivers third straight quarter of double-digit growth
- Procon delivers second consecutive quarter of double-digit sales growth
- Implementing price increases, cost reductions and factory consolidations to improve operating margin

Q4'11 ('000s)	\$	Δ% (yoy)
Revenues	\$21,823	10.9%
Operating Income	\$3,307	18.9%



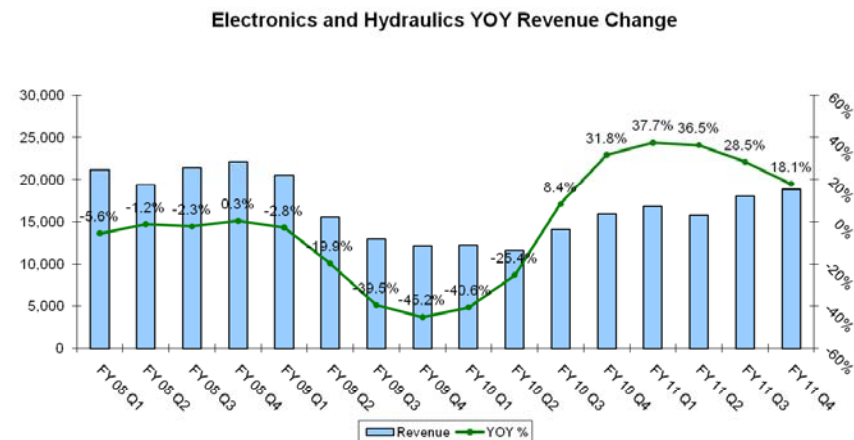
- Gaining market share across the board in mold texturizing
- Operational streamlining and cost reductions drive improved profitability
- Acquisitions performing above expectations on top and bottom lines
- Continued solid demand in North America and Europe; accelerating growth in China and India
- Global roll engraving quotation activity continuing to improve

Q4'11 ('000s)	\$	Δ% (yoy)
Revenues	\$24,038	51.0%
Operating Income	\$4,826	27.1%



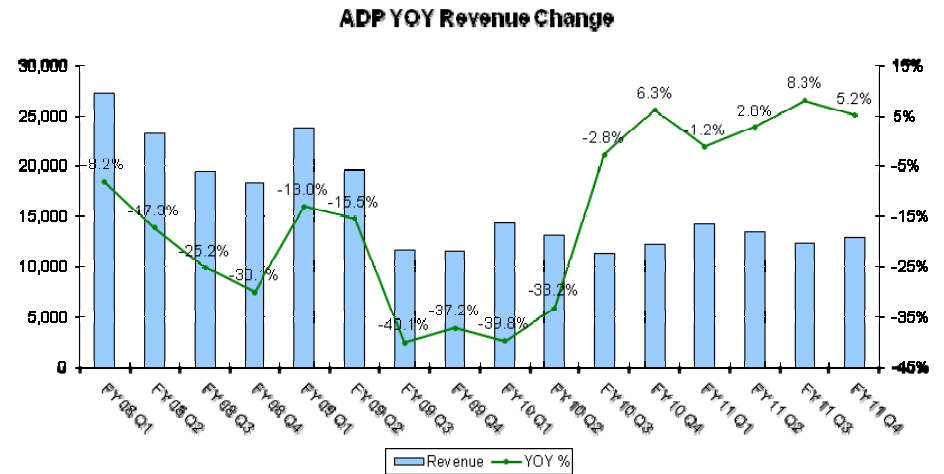
- Favorable sales comparison in Q4 reflects project-driven revenue model and impact of Metal Spinners acquisition
 - Purchase accounting impacts YOY operating income comparison
- Expect energy business to be down in first half of FY12 due to inventory correction at large land based turbine customer
- Space shuttle decommissioning leading to new opportunities in manned space flight vehicles
- Continue to drive efforts to increase penetration in land-based turbine applications and to enter aviation jet engine market
- Metal Spinners acquisition is presenting exciting growth opportunities in the oil and gas market

Q4'11 ('000s)	\$	Δ% (yoy)
Revenues	\$18,897	18.2%
Operating Income	\$2,672	41.7%



- Continued strong recovery in Electronics – sixth consecutive quarter of revenue growth
- Electronics continues to benefit from competitive advantages
 - Proprietary technologies developed for aerospace, automotive, industrial and medical applications
 - Low-cost manufacturing and global sales coverage
- North American telescopic hydraulic market continues to strengthen
- Global Hydraulics sales expansion initiatives producing good results

Q4'11 ('000s)	\$	Δ% (yoy)
Revenues	\$12,886	5.2%
Operating Income	(\$767)	NM



- Lackluster housing market continues to affect ADP's results
- Q4 revenue growth driven by market share gains for traditional products and introduction of new products
- Market implemented 12-15% price increase during Q4
- Driving for incremental cost reductions

Continued focus on driving growth, reducing costs and improving productivity

- Past three quarters' trend of good YOY sales growth, with Metal Spinners only now beginning to contribute
- FY 2011 adjusted EPS up 51% from pre-recession peak on 10% lower sales
- Greater near-term uncertainty regarding end-user market growth
- Recent acquisitions meet or exceed our expectations strategically and financially
- Continued focus on evolving and optimizing the company's portfolio of businesses
- Positioned with balance sheet strength and liquidity to capitalize on future opportunities

Q & A Session