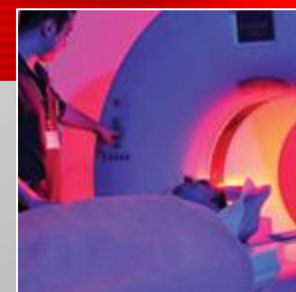
First Quarter Fiscal 2019 Conference Call

Standex

October 29, 2018



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First Quarter 2019 Overview: Significant Portfolio moves

- **YOY sales were up 2.1%** to $193.1M
  - Organic sales +1.1%
  - Acquisitions +1.7%
  - FX impact of -0.7%
- Q1 GAAP operating income up 190bps and GAAP EPS at $1.12 per share
- Q1 adjusted operating income up 50bps and adjusted EPS of $1.21 down 1.6%
- Net debt position of $190.2M at end of Q1. Increase due to acquisitions
- Key quarterly highlights:
  - Strong sales growth in Electronics, Engraving and Hydraulics
  - Completed two key bolt on acquisitions – Agile Magnetics in Electronics and Tenibac in Engraving
  - Exploring strategic alternatives for the Cooking Solutions Group – now reported as discontinued operations
  - Refrigeration market slowdown impacts margins for the FSE Group
  - Engineering Technologies margins increased as improvement efforts flowed through in Enginetics. Expect strong second half FY 19

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Cooking Divestiture Improves Margins & Quality of Earnings

	Including Cooking Q1 FY 19	Excluding Cooking Q1 FY 19	Including Cooking Q1 FY 18	Excluding Cooking Q1 FY 18	Including Cooking FY 18	Excluding Cooking FY 18
Sales	$ 217,527	$ 193,080	$ 214,379	$ 189,142	$ 868,382	770,452
Adj OI	$ 26,067	$ 24,236	$ 24,963	$ 22,819	$ 97,767	91,001
% Sales	12.0%	12.6%	11.6%	12.1%	11.3%	11.8%
Adj EBIT	$ 25,866	$ 24,035	$ 24,992	$ 22,847	$ 96,831	90,065
% of Sales	11.9%	12.4%	11.7%	12.1%	11.2%	11.7%
Adj EBITDA	$33,178	$30,690	$ 31,861	$29,118	$ 125,994	$ 116,761
% of Sales	15.3%	15.9%	14.9%	15.4%	14.5%	15.2%
Adj EPS	$1.33	$1.21	$1.35	$1.23	$5.17	$4.79
EPS Impact of Cooking		($0.12)		($0.12)		($0.38)
Traditional ROIC					12.3%	13.2%
Increase						0.9%
Modified ROIC					12.6%	13.4%
Increase						0.8%

Removing Cooking solutions improves the margin rate for Adjusted Operating Income, EBIT, EBITDA and also improves ROIC and Modified ROIC

Modified ROIC = Net Profit After Tax divided by Total Assets minus Cash, Current Liabilities, Goodwill plus Accumulated Depreciation and Amortization

Fiscal 2018 operating income has also been recast to reflect reclass of $0.6 million of defined benefit pension expense in connection with the adoption of ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost.*

Divesting Cooking Solutions Mixes Up Margins

Portfolio Management

Near-Term Priorities

Grow/Defend

Electronics

Engraving

Scientific

Pump

Merchandising

Hydraulics

Improve

Refrigeration Solutions
- Focused Manufacturing
- Operational Excellence
- Market Leading Brands
- New NBOs

Engineering Technologies
- Aviation Ramp
- Long-Term Agreements
- Key Development Programs
- New NBOs

Divest

- Cooking Solutions – moved to Discontinued Operations

Past Divestitures
- America Food Service: June 2014
- IR Roll Plate and Machinery: June 2016

Standex has continued to refine the Business Portfolio to maximize value

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Overview

FOOD SERVICE EQUIPMENT	ENGRAVING	ENGINEERING TECHNOLOGIES	ELECTRONICS	HYDRAULICS
				

FY 13 Including Cooking	Food Service Equipment	Engraving	Engineering Technologies	Electronics	Hydraulics	Corporate & Non-Operating	SXI Including Cooking FY 13
Sales	$366,605	$76,912	$74,838	$108,085	$30,079		$656,519
Adj EBIT	$37,533	$14,160	$13,241	$17,607	$4,968	($22,432)	$65,077
Adj EBIT %	10.2%	18.4%	17.7%	16.3%	16.5%		9.9%
Adj EBITDA	$42,463	$16,296	$16,529	$20,593	$5,534	($22,193)	$79,222
Adj EBITDA %	11.6%	21.2%	22.1%	19.1%	18.4%		12.1%

Proforma FY 18	Food Service Equipment	Engraving	Engineering Technologies	Electronics	Hydraulics	Corporate & Non-Operating	SXI Proforma FY 18
Sales	$298,936	$162,591	$90,781	$213,751	$48,169		$814,228
Adj EBIT	$28,087	$36,760	$6,449	$47,098	$7,316	($26,269)	$100,684
Adj EBIT %	9.4%	22.6%	7.1%	22.0%	15.2%		12.4%
Adj EBITDA	$31,580	$42,939	$12,455	$58,682	$8,066	($25,869)	$129,096
Adj EBITDA %	10.6%	26.4%	13.7%	27.5%	16.7%		15.9%

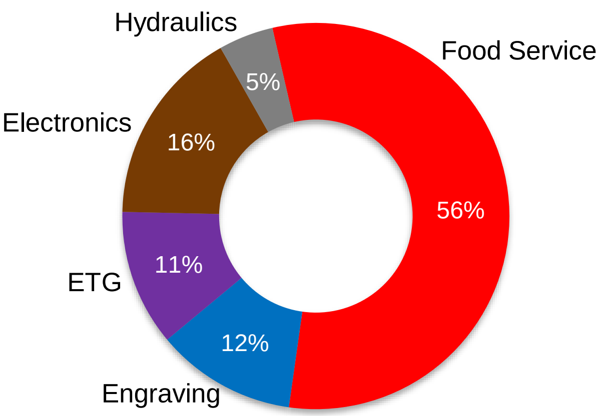
Proforma FY18 includes results of businesses acquired in Q1 FY19 and excluded Cooking Solution Group

Excludes purchase accounting adjustments, land sales, divestitures and acquisition related costs

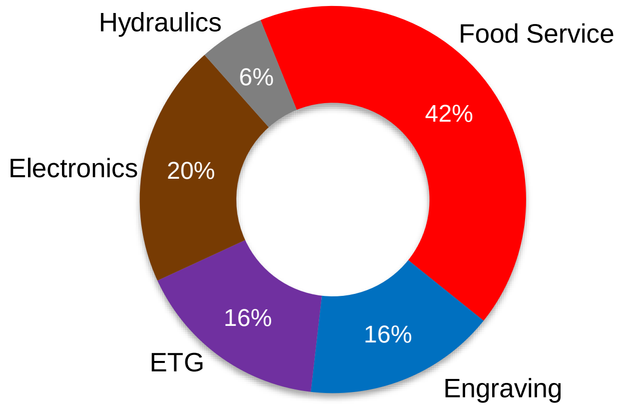
Standex Segment Changes FY 13 versus Proforma FY 18

FY 2013 includes Cooking

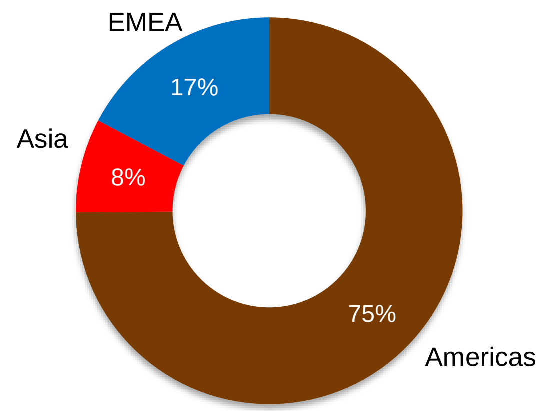
Sales by Segment



Adj EBITDA by Segment

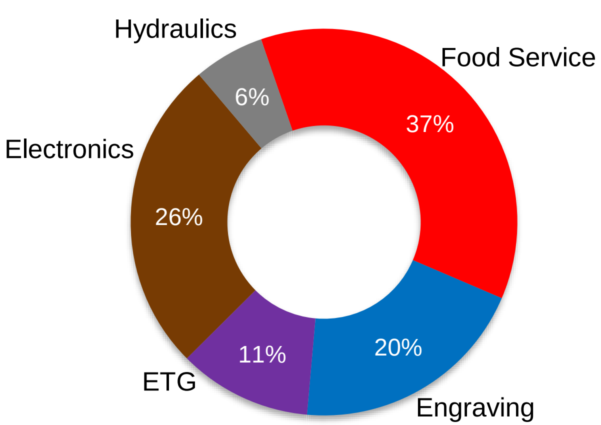


Sales by Geography

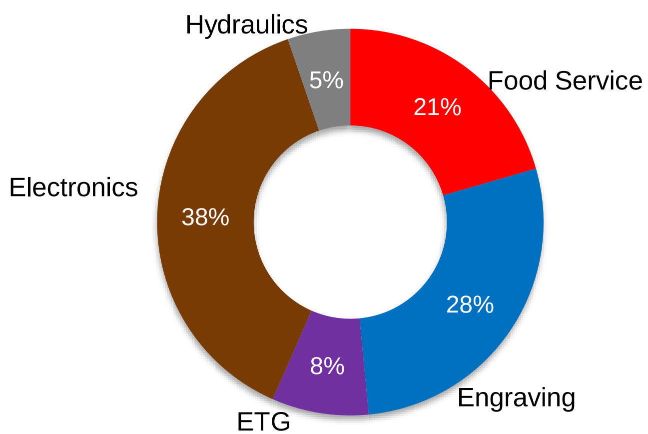


FY 2018 Proforma without Cooking with Agile and Tenibac

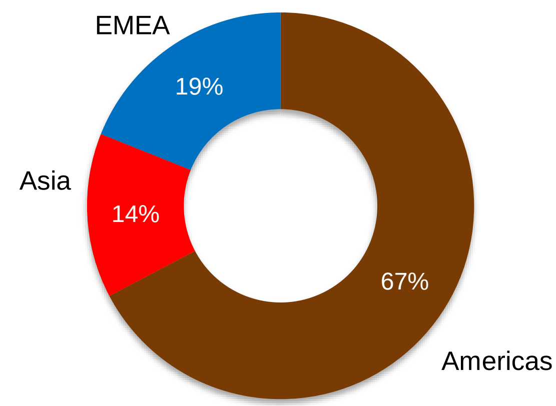
Sales by Segment



Adj EBITDA by Segment

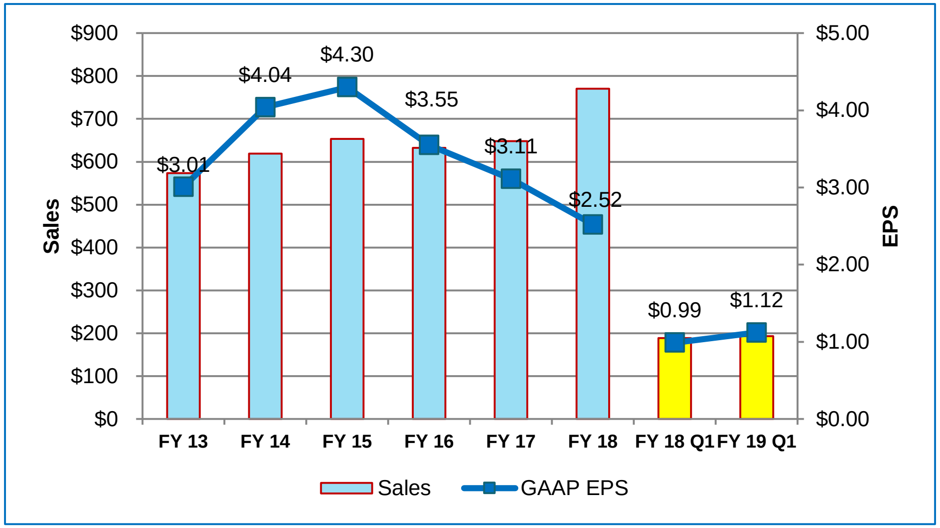


Sales by Geography

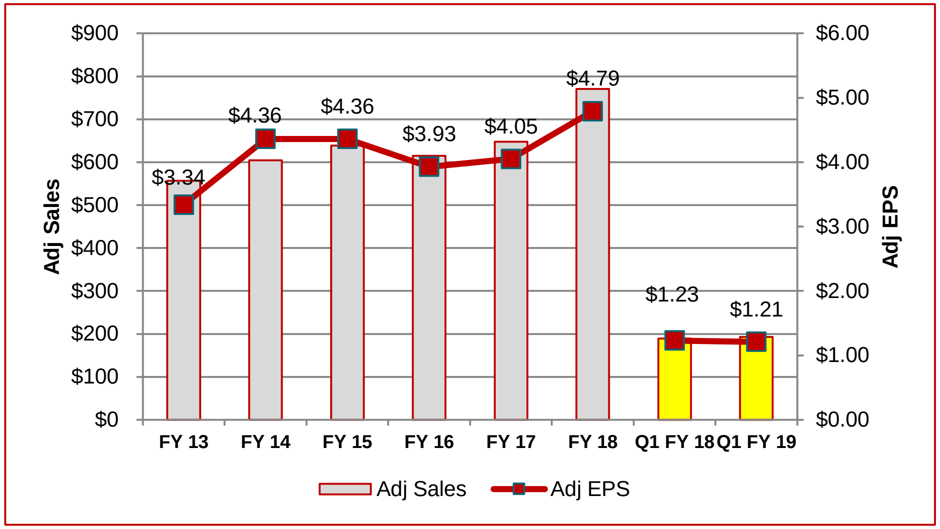


Sales and Earnings Per Share Trend

As Reported, GAAP

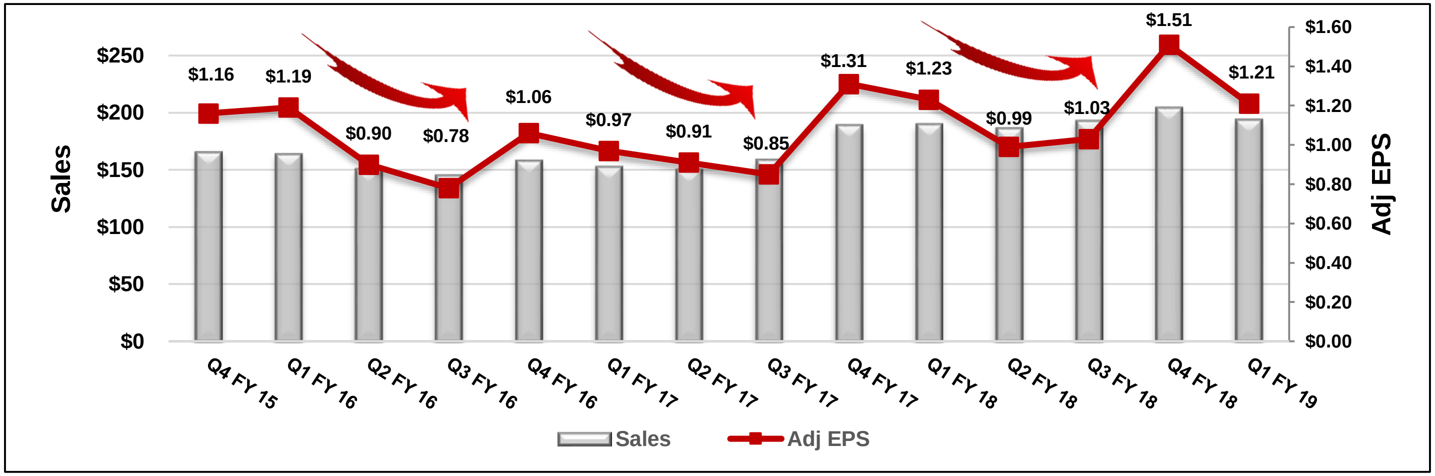


Non-GAAP



FY 13-16 Adjusted and Restated without RPM

Quarterly Seasonal Trend



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All results are restated to exclude the Cooking Solutions Group

Revenue Changes

Q1 2019 YOY Change %	Food Service (Excludes Cooking)	Engraving	Engineering Technologies	Electronics	Hydraulics	Total
Organic	-7.0%	2.4%	2.6%	10.8%	9.9%	1.1%
Acquisitions	0.0%	10.0%	0.0%	0.0%	0.0%	1.7%
Currency	-0.1%	-2.8%	0.0%	-0.9%	0.0%	-0.7%
Total	-7.1%	9.6%	2.6%	9.9%	9.9%	2.1%

* Restated - excludes Cooking Solutions

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Quarter Financials

	Q1 FY19			Q1 FY18			YOY Change	
	GAAP Reported	Adjustments	Non-GAAP Adjusted	GAAP Reported	Adjustments	Non-GAAP Adjusted	GAAP Reported	Non-GAAP Adjusted
Net Revenues	**$ 193.1**	**$ -**	**$ 193.1**	**$ 189.1**	**$ -**	**$ 189.1**	**$ 3.9**	**$ 3.9**
% Change							2.1%	2.1%
Gross Profit	**69.3**	**0.5**	**69.7**	**65.7**	**0.2**	**65.9**		
%	35.9%		36.1%	34.7%		34.8%	110 bps	130 bps
Operating Income	**22.6**	**1.6**	**24.2**	**18.6**	**4.2**	**22.8**	21.4%	6.2%
%	11.7%		12.6%	9.9%		12.1%	190 bps	50 bps
Net Interest (Expense)	(2.2)	-	(2.2)	(1.7)	-	(1.7)		
Other Income (Expense)	(0.2)	-	(0.2)	0.0	-	0.0		
Pre-Tax Income	20.2	1.6	21.8	17.0	4.2	21.1	19.1%	3.1%
Provision for Income Taxes	5.8	0.5	6.3	4.3	1.0	5.3		
Net Income Continuing Operation	**$ 14.4**	**$ 1.1**	**$ 15.5**	**$ 12.7**	**$ 3.1**	**$ 15.8**	**$ 1.7**	**$ (0.3)**
%	7.4%		8.0%	6.7%		8.4%	70 bps	-30 bps
Tax Rate	28.9%		28.9%	24.9%		24.9%		
Diluted EPS	$ 1.12	$ 0.09	$ 1.21	$ 0.99	$ 0.24	$ 1.23	13.1%	-1.6%
Weighted Avg Diluted Shares	12.8	12.8	12.8	12.8	12.8	12.8		
EBITDA			**$ 30.7**			**$ 29.1**		**$ 1.6**
%			15.9%			15.4%		0.5%

- ✓ Gross Profit and Operating Income Margins Improve
- ✓ EPS impacted by higher interest and tax rate

First quarter of fiscal 2018 YTD results have been recast to reflect announced disposition of the Cooking Solutions Group and reclass of $0.6 million of defined benefit pension expense in connection with the adoption of ASU 2017-07, Improving the Presentation of Net Periodic Pension Cost.

* Totals or subtotals may not foot due to rounding

GAAP Operating Margin at 11.7% in Q1 FY 19 versus 9.9% in Q1 FY 18
Non-GAAP Operating Margin at 12.6% in Q1 FY 19 versus 12.1% in Q1 FY 18

Q1 FY 19 Quarter Bridge

	Q1 FY19				Q1 FY18				% Change		
	Pre-tax Income	Tax	Net Income	EPS	Pre-tax Income	Tax	Net Income	EPS	Pre-tax Income	Net Income	EPS
Reported - GAAP	**$ 20.2**	**$ (5.8)**	**$ 14.4**	**$ 1.12**	**$ 17.0**	**$ (4.3)**	**$ 12.7**	**$ 0.99**	**19.1%**	**13.1%**	**13.1%**
Add:											
Restructuring Charges	0.4	(0.1)	0.3	0.02	3.0	(0.7)	2.2	0.17			
Purchase Accounting	0.5	(0.1)	0.3	0.03	0.2	(0.1)	0.2	0.01			
Acquisition-related costs	0.7	(0.2)	0.5	0.04	1.0	(0.3)	0.8	0.06			
Adjusted	**$ 21.8**	**$ (6.3)**	**$ 15.5**	**$ 1.21**	**$ 21.1**	**$ (5.3)**	**$ 15.8**	**$ 1.23**	**3.1%**	**-2.1%**	**-1.6%**
Diluted Shares				12,808				12,768			

First quarter of fiscal 2018 YTD results have been recast to reflect announced disposition of the Cooking Solutions Group and reclass of $0.6 million of defined benefit pension expense in connection with the adoption of ASU 2017-07, Improving the Presentation of Net Periodic

Adjusted Net Income and Adjusted Earnings Per Share were impacted by:

1. ***Higher Interest Expense as rates and borrowings have increased from acquisitions***
2. ***Increased Tax Expense due to the mix of Foreign versus Domestic Earnings at a higher tax rate***

GAAP Net Income up 13.1%, Adjusted Net Income down by 2.1%
GAAP EPS up by 13.1%, Adjusted EPS down 1.6% over prior year

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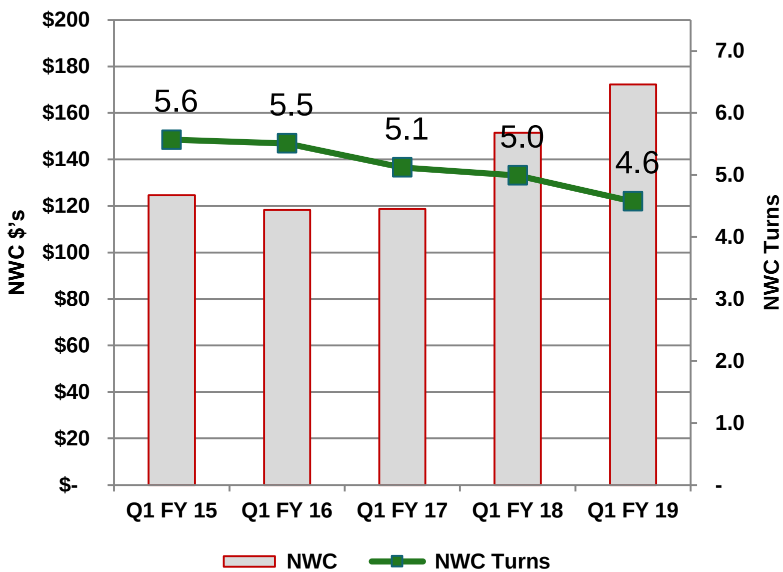
Net Working Capital



Note: FY 15 excludes divested roll plate; all period exclude Cooking Solutions

	Q1 FY19 9/30/18	Q1 FY18 9/30/17
A/R	123,804	121,523
DSO	54	52
Inventory	111,687	99,644
Inventory Turns	4.6	5.1
A/P	(63,161)	(69,629)
DPO	40	40
Net Working Capital	172,330	151,538
W/Cap Turns	4.6	5.0

- ✓ Key focus in FY 19 is to improve working capital turns
- ✓ Improving this metric has been included in management's annual incentive plan

Working Capital turns decreased due to growth and business mix

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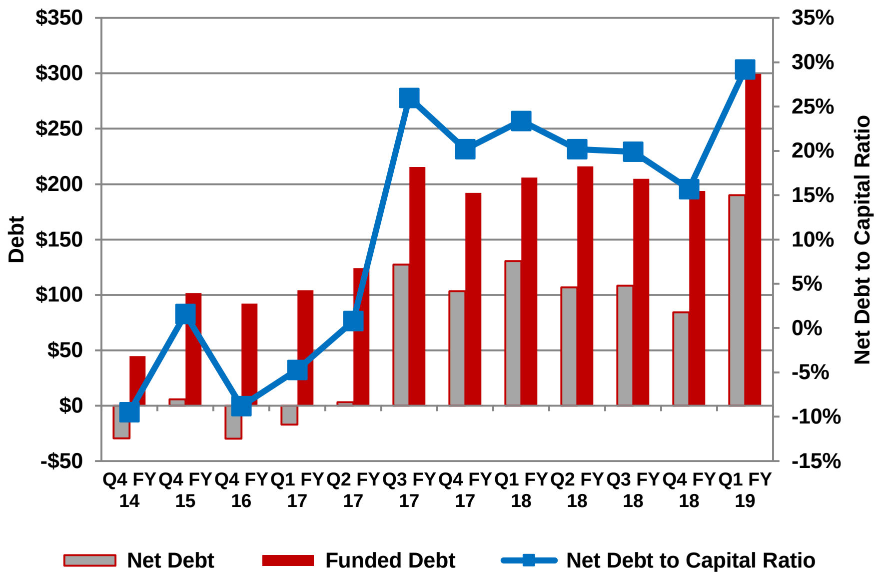
Debt Management



	Q1 FY19 9/30/2018		Q4 FY18 6/30/2018	
Short Term Debt	-		-	
Long Term Debt	299,438		193,772	
Funded Debt	299,438		193,772	
Cash	109,270		109,602	
Net Debt	190,168		84,170	
Shareholders Equity	460,030		450,795	
Letters of Credit	7,438		7,936	
EBITDA per Credit Agreement	130,516		120,098	
Net Debt to Capital Ratio	29.2%		15.7%	
Funded Debt to Capital	39.4%		30.1%	
EBITDA to Funded Debt (Includes Letters of Credit)	2.35	x	1.68	x
Maximum Leverage Per Agreement	3.5	x	3.5	x

Anticipate repatriating $50M in FY 19

Net debt to capital at 29.2%, EBITDA to Funded Debt at 2.35x and Net Debt position at $190.2M

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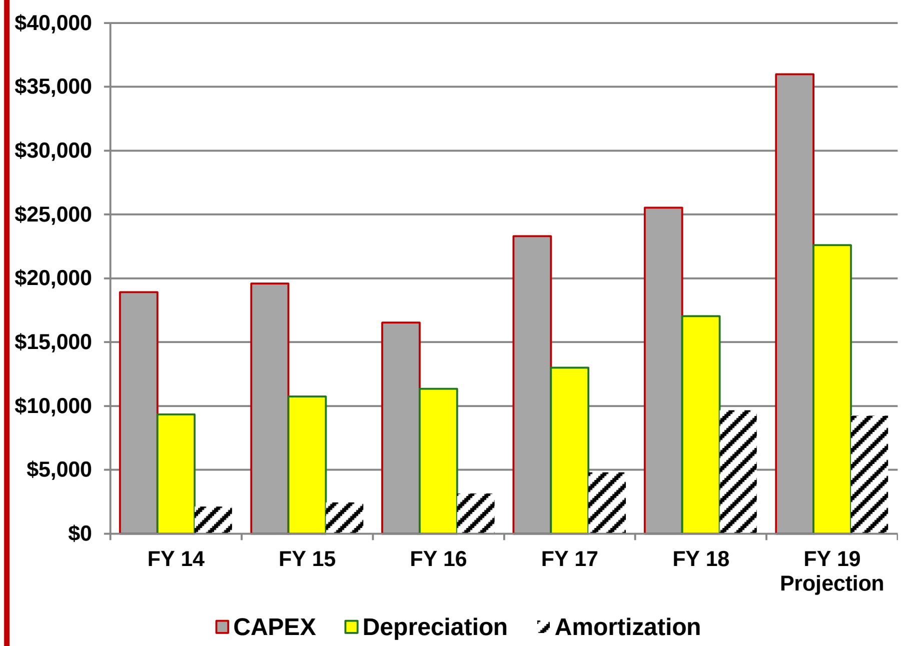
Capital Spending



Capital Spending

(In thousands, except percentages)	Q1 FY 19 Actl	Q1 FY 18 PY
Food Service Equipment	$ 450	$ 491
Engraving	$ 3,040	$ 3,171
Engineering Technologies	$ 719	$ 1,614
Electronics	$ 3,591	$ 2,151
Hydraulics	$ 283	$ 422
HQ	$ 25	$ 8
Total CAPEX including AP	$ 8,107	$ 7,856
Sales	$ 193,080	$ 189,142
Cash CAPEX % of Sales	4.2%	4.2%
CAPEX in A/P		
Beginning Qtr June 30, 2018	$ 446	$ 524
Ending - Sept 30, 2018	$ 1,088	$ 52
Net Change CAPEX in A/P	$ (642)	$ 472
Cash CAPEX	$ 7,465	$ 8,328
CAPEX in AP	3.9%	4.4%

CAPEX, Depreciation and Amortization has been restated without Cooking Solutions

FY19 CAPEX projected to be $35-$36 million
Depreciation ~$23M million and Amortization ~$9 million in FY19

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Non-GAAP Conversion Chart

Free operating cash flow (continuing ops):	Q1 FY 19	Q1 FY 18
Net cash provided by operating activities, as reported	$ (2,570)	(3,318)
Less: Capital Expenditures	(7,465)	(8,328)
Free operating cash flow	$ (10,035)	$ (11,646)
Adjusted Net Income	$ 14,358	$ 12,696
Conversion of free operating cash flow	NM	NM

Standex first quarter tends to be negative free cash flow and increase throughout the fiscal year

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First Quarter FY 2019

Operational Segment Review

Food Service Equipment Group

Q1 FY 2019 ('000s)	$	Delta YOY
Revenues	$72,331	-7.1%
Operating Income	$6,668	-19.9%
OI Margin	9.2%	

Procon®-the pump solution for Espresso

Q1 Summary

- Soft quarter in Food Service as positive momentum in Scientific and Merchandise businesses were more than offset by slowdown in Refrigeration and Pump businesses
- Scientific sales up 11.8% and Merchandising up 4.0%
- Refrigeration sales down by 13.8% impacted by slowdown in Drug Retail, Dollar Stores and QSRs
- Pump business off 6.2% driven by lower carbonated beverage pump sales
- Operating income was down as a result of lower volume

Current Focus & Looking Forward

- Continue to introduce new products and services in the Scientific, Merchandising and Pump businesses
- Adjust to market conditions on lower volume in Refrigeration with operational excellence (cost, quality and delivery)

Note: Cooking Solutions not included in the results above

Engraving

Q1 FY 2019 ('000s)	$	Delta YOY
Revenues	$35,979	+9.6%
Operating Income	$8,003	+2.6%
OI Margin	22.2%	

Note: FY 19 Operating Income excludes $456k of purchase accounting for Tenibac

New and refreshed automotive models continue to be on the rise

Q1 Summary

- Sales were strong in Americas and Europe as there were a number of automotive new model and refreshed model introductions
- New technology sales continue to grow and were over $10 million for the quarter, up 73% year over year
- Integration of Tenibac is going well and was well received by customers and employees

Current Focus & Looking Forward

- New auto model introductions forecast to rise across the globe
- Continue to make progress on rolling out new technologies of Architexture, tooling finishing, nickel shell and laser
- Complete integration of Tenibac-Graphion

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Engineering Technologies

Q1 FY 2019 ('000s)	$	Delta YOY
Revenues	$20,784	+2.6%
Operating Income	$1,775	+50.2%
OI Margin	8.5%	

ETG forming processes have the ability to reduce part-count, eliminate welds and reduce weight

Q1 Summary

- Sales were up slightly as anticipated
- Aviation sales were up 7.8%
- Space sales were down $1.2M due to contract timing on development programs in the manned segment of the market.
- Energy sales were up $1.2 million due to higher sales into the project-based Oil and Gas segment
- Improved margins on legacy engine parts began to flow through

Current Focus & Looking Forward

- Expect sales volumes in the second quarter to be similar to the first quarter
- The third and fourth quarters of our fiscal year 2019 should show meaningful increases in sales and margins
- Sales in the space market are also expected to grow through fiscal year 2019 with legacy products along with development projects with the various domestic launch vehicle providers

Electronics

Q1 FY 2019 ('000s)	$	Delta YOY
Revenues	$51,450	+9.9%
Operating Income	$12,787	+24.4%
OI Margin	24.9%	

Focus of magnetics is towards growing markets with mission critical applications.

- ✓ **Industrial**
- ✓ **Smart Grid/Alt Energy**
- ✓ **Mil Aero Power**

Q1 Summary

- Sales increased in all regions (Americas up 9.0%, Europe up 9.1% and Asia up 11.4%)
- Completed acquisition of Agile Magnetics, expanding our high reliability magnetics business
- Relays grew 29.1%, Sensors 10.8%, Switches 7.6% and Magnetics 5.6%
- Backlog shippable within one year is up 24.9% with increases in all regions
- For the quarter, sales increased in Industrial Applications and Distribution and declined into Automotive and Appliance

Current Focus & Looking Forward

- New Business Opportunities in the funnel should help offset any inventory corrections or slowdown in the coming months
- Successfully integrate Agile and drive growth in high reliability magnetics

Hydraulics

Q1 FY 2019 ('000s)	$	Delta YOY
Revenues	$12,536	+9.9%
Operating Income	$1,583	-15.4%
OI Margin	12.6%	

Custom Hoists® manufactures high quality products designed specifically for the truck and trailer market

Q1 Summary

- Sales, orders and backlog all increased during the quarter
- Market was robust during the first quarter in construction, housing and infrastructure
- Profitability was impacted by three items
    - Material Price Increases
    - 301 Tariffs of approximately $580k largely covered by price pass through
    - Machine downtime for approximately $200k corrected during the quarter

Current Focus & Looking Forward

- Demand should remain robust for the remainder of the calendar year
- New "pack ejects" cylinders have been well received by customers and orders are on the rise
- Monitoring OEM's concerns about a potential slowdown in calendar 2019

Summary

1. **Delivered top line growth of 2.1% for Q1 FY 19**
   - Engraving, Electronics & Hydraulics showed very strong YOY growth
   - Engineering Technologies sales increased YOY

2. **Taking actions to deliver improved bottom line growth**
   - Progress with legacy parts margins reading through in Engineering Technologies
   - Continued focus on margin improvement in Refrigeration with further adjustments due to softer market conditions
   - Announced strategic alternatives for the Cooking Group

3. **Completed two bolt-on acquisitions during the quarter in Engraving and Electronics**

4. **Growth laneways and acquisition pipeline remains robust**

Q&A