Standex Establishes Global Presence for Electronics Group with Acquisition of Meder Electronic Group

SALEM, N.H.--(BUSINESS WIRE)--Standex International Corporation [1] (NYSE:SXI) today announced that it has acquired Meder Electronic Group [2] ("Meder"), which designs, manufactures and distributes a broad offering of magnetic reed switch [3], reed relay [4] and reed sensor [5] solutions in an all-cash transaction. Terms for the acquisition were not disclosed. Meder reported sales of €46 million for calendar 2011 and an EBITDA margin in excess of 13%. The Company expects Meder to be accretive to earnings in the range of $0.08 to $0.2 per diluted share in fiscal 2013 and $0.26 to $0.31 in fiscal 2014. Meder offers significant sales synergies as well as cost synergies resulting from expected procurement and infrastructure savings.

In addition, the combination of Meder Electronic and Standex Electronics results in a much stronger global organization with significantly enhanced sales and profitability growth prospects as a result of:

- Global geographic coverage: Approximately 40% of Meder's sales are in Germany, with the remaining 60% about equally split between Asia, North America and other European countries. Approximately 85% of Standex Electronics sales are in North America.
- Comprehensive product portfolio: The combination of Meder's reed switches, reed relays and reed sensors coupled with Standex's reed switch, magnetic and sensor product lines provides the combined global sales forces with a broader suite of products and technologies to address our customers' needs.
- Diverse industry exposure: Meder has been successful in penetrating the test & measurement and household markets while Standex has established a presence in medical as well as military & aerospace. Both companies have achieved success in the automotive industry and in general industrial markets.
- Worldwide sales and engineering infrastructure: The combination of Meder and Standex Electronics results in a global organization with engineering capabilities and sales professionals close to the customer -- enhancing the collaborative development of customer driven engineering solutions.

"We are enthusiastic about the synergistic fit and the growth prospects for the combined business," said Roger Fix, Standex president and chief executive officer. "Meder and Standex are highly complementary in terms of geography, products and industry coverage. The combination of the two companies will allow us to bring a broad reed switch, reed relay, magnetics and sensor product offerings to our customers on a global basis. The opportunities for cross selling are exciting and include the introduction of Standex's magnetic products into the European market and accelerating sales of Meder's reed switch and reed relays into the North

America market. The combined company will also provide the opportunity to accelerate sales growth in China and Asia Pacific."

"We welcome the Meder team to Standex Electronics with the confidence that the combined organization has excellent prospects for accelerated growth and profitability," said John Meeks, Standex Electronics president. "Founder and CEO Bernhard Meder has built a solid organization with a strong brand and reputation in the marketplace. We look forward to working with him and his team to capitalize on many new opportunities."

"Joining Standex Electronics provides Meder with critical mass and the opportunity to leverage new sales channels and products which will allow the business to grow faster than we could as an independent company," said Meder. "We are combining two highly regarded brands to provide our customers with a much broader product suite and the ability to work with local engineering teams to develop solutions for their needs."

Founded in 1985 by Bernhard Meder, Meder electronic is headquartered in Singen, Germany with manufacturing facilities in Singen and Grossbreitenbach, Germany; Shanghai, China; and Wareham, Massachusetts.

About Standex Electronics

Standex Electronics [6] specializes in electro-mechanical engineered solutions. It is a leading manufacturer of electronic components and subassemblies including reed switches, electrical connectors, sensors, toroids and relays, fixed and variable inductors and electronic assemblies, fluid sensors, tunable inductors, transformers and magnetic components. Its ATC-Frost Magnetics [7] subsidiary designs and manufactures a broad range of magnetic transformers for a variety of market sectors. Standex Electronics provides custom solutions to customers in many markets including aerospace, medical, industrial, automotive, appliance, lighting, security and several green segments. The Electronics Group's headquarters is in Cincinnati, Ohio. The group has facilities in Cincinnati, Ohio; Douglas, Arizona; Tianjin, China; Hong Kong; Sonora, Mexico; Kent, UK and Ontario, Canada.

Source URL (retrieved on *12/10/2013 - 2:45am*):
http://www.mdtmag.com/news/2012/07/standex-establishes-global-presence-electronics-group-acquisition-meder-electronic-group?qt-video_of_the_day=0

Links:
[1] http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.standex.com%2F&esheet=50336160&lan=en-US&anchor=Standex+International+Corporation&index=1&md5=1b1dcedc0b2fd0285fef1ecdd3136c69
[2] http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.meder.com%2Findex.php%3Fid%3D2724&esheet=50336160&lan=en-US&anchor=Meder+Electronic+Group&index=2&md5=4f273e610a350

1769a50ccd50efd2a78
[3] http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.meder.com%2Freed-switches3.html&esheet=50336160&lan=en-US&anchor=magnetic+reed+switch&index=3&md5=489f648107630dc029c51e5a5f6069a4
[4] http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.meder.com%2Freed-relays-opto-couplers-us.html&esheet=50336160&lan=en-US&anchor=reed+relay&index=4&md5=ccd027f4f9bbb3e50b4eb9dc4a815732
[5] http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.meder.com%2Freed-sensors-magnets-us.html&esheet=50336160&lan=en-US&anchor=reed+sensor&index=5&md5=7fbe7a29442ccc7984a8f80b88c18adf
[6] http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.standex.com%2Fstandex_Electronics.htm&esheet=50336160&lan=en-US&anchor=Standex+Electronics&index=6&md5=1d4ff089b6d257abb3f153a4a97a715b
[7] http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.atc-frost.com%2F&esheet=50336160&lan=en-US&anchor=ATC-Frost+Magnetics&index=7&md5=44c871d92f96ea88374107db8d7ccee1