

# NYSE:SXI Q2 2025 Earnings Call Transcript

Generated on 6/10/2026

## Operator:

Good morning, ladies and gentlemen, and welcome to the Standex International Fiscal Check-in Quarter 2025 Financial Results Conference Call. At this time, all lines are in listen-only mode. Following the presentation, we will conduct a question-and-answer session. If at any time during this call you require immediate assistance, please press star 0 for the operator. This call is being recorded on Friday, January 31, 2025. I would now like to turn the conference over to Mr. Christopher Howe, Director of Investor Relations, please go ahead.

## Christopher Howe | Director of Investor Relations:

Thank you, operator, and good morning. Please note that the presentation accompanying management's remarks can be found on the investor relations portion of the company's website at [www.standex.com](http://www.standex.com). Please refer to Standex's safe harbor statement on slide two. Matters that Standex management will discuss on today's conference call include predictions, estimates, expectations, and other forward-looking statements. These statements are subject to risks and uncertainties that could cause actual results to differ materially. You should refer to STANDX's most recent annual report on Form 10-K, as well as other SEC filings and public announcements for a detailed list of risk factors. In addition, I'd like to remind you that today's discussion will include references to the non-GAAP measures of EBIT, which is earnings before interest and taxes, adjusted EBIT, EBITDA, which is earnings before interest, taxes, depreciation, and amortization, adjusted EBITDA, EBITDA margin, and adjusted EBITDA margin. We will also refer to other non-GAAP measures, including adjusted net income, adjusted operating income, adjusted net income from continuing operations, adjusted earnings per share, adjusted operating margin, free operating cash flow, and pro forma net debt to EBITDA. Adjusted measures exclude the impact of restructuring, purchase accounting, amortization from acquired intangible assets, acquisition-related expenses, and one-time items. These non-GAAP financial measures are intended to serve as a complement to results provided in accordance with accounting principles generally accepted in the United States. Standex believes that such information provides an additional measurement and consistent historical comparison of the company's financial performance. On the call today is Standex's Chairman, President, and Chief Executive Officer, David Dunbar, and Chief Financial Officer and Treasurer, Ademir Sarcevic.

## David Dunbar | Chairman, President, and Chief Executive Officer:

Thank you, Chris. Good morning, and welcome to our fiscal second quarter 2025 conference call. Following strong operating performance in the fiscal first quarter, we delivered record adjusted operating margin in the fiscal second quarter, supported by the highest sales since the divestiture of the refrigeration business in April 2020. Our sales into fast-growing end markets continue to expand as a percent of the total. Our new product sales are increasing above our projections, and our team's focus on price and productivity continues to deliver strong operating margins. For the remainder of the year, based on increasing order rates and customer activity, we continue to expect our end markets to improve, with the recent Amaran Narayan Group acquisition providing an additional tailwind. Today, we will provide significant updates to our fast-growth market sales, as well as revised and improved 2028 financial expectations. Now, if everyone can turn to slide three, key messages. In the second quarter, sales increased to 6.4%, with contributions from acquisitions partially offset by organic decline. Sales from the Ameren and Orion Group exceeded our expectations. Though organic sales were down in electronics due to softness in automotive and general industrial end

markets in Europe and North America, our book to bill was 1.02, indicating that markets are improving and that our commercial strategy is taking hold. With two months of Amer and Orion sales into the electrical grid end market, our fiscal second quarter sales into fast growth markets were over 20% of total company sales. Sales into fast growth markets were primarily driven by the electrical grid, commercialization of space, and defense applications. I will share more detail on our view of fast growth markets later in the call. New product sales totaled \$14.5 million in the fiscal second quarter, which increased approximately \$3.5 million sequentially and more than doubled year on year. I'm especially pleased that we continue to demonstrate resilient operating performance from the execution of our price and productivity initiatives and from inorganic investments. As a result, we achieved a record adjusted operating margin of 18.7%, up 170 basis points sequentially, and up 150 basis points year on year. led by adjusted operating margin of 27.6% in the electronics business segment. The integration of Ameren and Orion is progressing well and ahead of plan. On a sequential basis in fiscal third quarter 2025, we expect moderately to significantly higher revenue, driven by the impact of the recent Ameren and Orion group acquisition and improving overall demand in electronics. We expect slightly to moderately higher adjusted operating margin due to higher revenue, partially offset by higher investments in selling, marketing, and R&D. For the remainder of the fiscal year, we continue to expect our end markets to improve, with the electrical grid end market providing an additional tailwind. With seven new products just released in the fiscal second quarter, we remain positioned to release more than a dozen new products in fiscal 2025. Sales from new products are cracking ahead of expectations and are expected to now contribute approximately 200 basis points of incremental growth. Now, if everyone can turn to slide four, an update on a recent acquisition. The acquisition of the Ameren Orion Group last October was the largest transaction in the company's history. Considering the magnitude of the transaction, I'm extremely pleased with how our teams have adapted, a testament to the cultural fit of this acquisition. The integration is progressing well, and we have achieved all major integration milestones in the areas of finance, HR, and IT. When we announced this acquisition, we estimated calendar year sales in 2024 of approximately \$100 million. We are happy to report that the Ameren Orion Group exceeded this target with fiscal second quarter results higher than anticipated. In fact, the month of December was the highest revenue month in its history. Their contribution led to sales in the fast-growth markets exceeding 20% of total company sales for the first time. The growth in Dynamron Orion is being driven by three powerful forces to increase global electrical capacity, increasing living standards in all countries of the world, modernization of existing aging grid infrastructure, and incremental demand from data centers. We anticipate the Amer and Orion Group to continue growing revenue at a healthy double-digit rate in calendar year 2025. Now, if everyone can turn to slide five, fast-growth markets redefined. Three years ago, we identified end markets driven by long-term secular trends that provide above-average growth opportunities. Of these markets, those that provided STANDEX the best growth opportunities were renewable energy, electric vehicles, soft trim, commercialization of space, and the electronics defense market. Aggregating these sales into a single number provided a shorthand to explain the growth potential of our company. Our fast growth market sales has become an important number for our shareholders as well as for our management as we review priorities. In those three years, our fast growth market sales have grown from \$40 million to nearly \$100 million. Space, defense, and electric vehicles have been the primary drivers of the growth and remain attractive. Electric vehicle sales have decelerated, but are still growing around the world, and combined with our increased content per vehicle, still represent an above-market growth opportunity for us. Other markets like 5G and soft trim have not provided the lift we expected. Our recent acquisition makes a step-jump change to our growth profile. 100% of the sales of the Amer and Orion Group are into the fast-growing market of the electrical grid, doubling our fast-growth sales. Considering this acquisition and the degree to which the global environment has shifted versus three years ago, we are taking a fresh look to more accurately reflect the company's faster growing markets and to show how we continue to pivot towards markets with above average growth. As the company is comprised today, our new fast growth markets are the electrical grid, renewable energy, electric and hybrid vehicles, commercialization of space, and defense. We removed soft trim and 5G, but of course, we still serve customers in these spaces. We have added the electrical grid and defense sales in engineering technologies. In the fiscal second quarter, sales into these redefined fast growth markets were approximately \$43 million. In fiscal 2025, we anticipate approximately \$170 million from sales into fast growth markets. By fiscal 2028, We anticipate sales in the fast-growth markets to be greater than

\$340 million in sales, which would represent greater than 30% of total sales. I will now turn the call over to Ademir to discuss our financial performance in greater detail.

## **Ademir Sarcevic | Chief Financial Officer and Treasurer:**

Thank you, David, and good morning, everyone. Let's turn to slide six, second quarter 2025 summary. On a consolidated basis, total revenue increased approximately 6.44% year-on-year to \$189.8 million. This reflected a 15.3% benefit from recent acquisitions, partially offset by an organic revenue decline of 8.2% and 0.7% impact for foreign exchange. With the recent acquisition of the Amaran Orion Group, the largest in the company's history, Non-GAAP measures will now exclude amortization of acquired intangible assets, which affects our electronics, engraving, and scientific business segments. You may refer to our appendix slide in the presentation for historical reconciliation. Second quarter 2025 adjusted operating margin increased 150 basis points year-on-year to a record 18.7%. In the fiscal second quarter, adjusted operating income increased 15.4%, on 6.4% consolidated revenue increase year on year. Adjusted earnings per share remain flat year on year at \$1.91. Net cash provided by operating activities was 9.1 million in the second quarter of fiscal 2025 compared to 23.8 million a year ago. Capital expenditures were 7 million compared to 4.3 million a year ago. As a result, We generated fiscal second quarter free cash flow of \$2.1 million compared to \$19.5 million a year ago. Our fiscal second quarter includes one-time payments of approximately \$11 million for acquisition-related expenses. Now please turn to slide seven, and I will begin to discuss our segment performance and outlook, beginning with electronics. Segment revenue of \$95.9 million increased 20.8% year-on-year as 32.3% benefit from recent acquisitions was partially offset by an organic decline of 10.7% and 0.9% impact from foreign currency. Adjusted operating margin of 27.6% in fiscal second quarter 2025 increased 560 basis points year-on-year as the contribution from recent Amra and Narayan group acquisition, productivity initiatives and product mix were partially offset by lower volume. Excluding recent Amra and Orion Group acquisition, our new business opportunity funnel increased approximately 32% year-on-year, and is currently at approximately \$100 million. Our book-to-bill in fiscal second quarter was 1.02, with orders of approximately 98 million, driven by orders strengthening in core business and contribution from the recent Amra and Orion Group acquisition. Sequentially, in fiscal third quarter 2025, We expect significantly higher revenue driven by the recent Amra and Narayan group acquisition, accelerating new product sales, and higher sales into fast growth and markets, and moderately higher adjusted operating margin as contribution from recent acquisition and pricing and productivity initiatives are partially offset by higher investments in selling, marketing, and R&D. Please turn to slide eight for discussion of the engraving and scientific segments. Engraving revenue decreased 23% to \$31.5 million, driven by organic decline of 22.2% and a 0.8% impact from foreign currency. Adjusted operating margin of 14.3% in fiscal second quarter 2025 decreased 850 basis points year-on-year due to lower revenue. In our next fiscal quarter, on a sequential basis, we expect slightly to moderately low revenue and adjusted operating margin due to continued softness in the automotive end markets in North America and Europe, and less favorable project timing in Asia due to Chinese New Year. To address the continued softness in end markets served by this segment, the company initiated additional restructuring actions that project to yield \$4 million in annualized savings once fully implemented, starting in fiscal fourth quarter 2025. At the same time, we are starting to see some encouraging signs that the market is slowly recovering in North America, based on recent visit to one of the largest tool shops in the region and large amount of tools currently being worked on. Scientific revenue increased 13.4% to 18.5 million due to the recent acquisition and organic growth of 3.9%, mostly due to higher volume from new product sales, partially offset by lower demand from retail pharmacies. Adjusted operating margin of 26.9% decreased 80 basis points year-on-year due to the impact of the recent custom biogenic systems acquisition. Sequentially, we expect slightly to moderately higher revenue and slightly to moderately lower adjusted operating margin due to higher contribution to revenue from the recent acquisition, additional R&D investments, and higher freight costs. Now turn to slide nine for discussion of the engineering technologies and specialty solution segments. Engineering technologies revenue increased 13.9% to 22.6 million, driven by organic growth of 14.5%, slightly offset by 0.6% impact from foreign currency. This strong organic growth was due to more favorable project timing in the space and market, and growth in sales from

new products. Operating margin of 16.3% decreased 80 basis points year-on-year, as higher development work was partially offset by higher sales. Sequentially, we expect slightly lower revenue due to project timing and slightly higher operating margin due to product mix. Specialty solution segment revenue of 21.3 million decreased 2.9% year-on-year, primarily due to the general market softness in display merchandising and hydraulics businesses. Operating margin of 16.7% decreased 140 basis points year-on-year. Sequentially, we expect similar revenue and slightly higher operating margin. Next, please turn to slide 10 for a summary of Standex's liquidity statistics and capitalization structure. Our current available liquidity is approximately \$185 million. At the end of the second quarter, Standex had net debt of \$413.2 million compared to \$6.2 million at the end of fiscal second quarter 2024. Our net leverage ratio currently stands at 2.9. In fiscal third quarter 2025, we expect interest expense to be between \$7 million and \$7.5 million. Tandex's long-term debt at the end of the fiscal second quarter 2025 was \$534.3 million. Cash and cash equivalents totaled \$121.1 million. We declared our 242nd quarterly consecutive cash dividend of \$0.32 per share and approximately 6.7% increase year-on-year. In fiscal 2025, we expect capital expenditures to be between 30 and \$35 million. Let's turn to slide 11 that highlights our updated long-term targets by fiscal 2028. We communicated our long-term financial targets by fiscal 2028 two years ago during our fiscal second quarter 2023 earnings call. This prior outlook excluded the impact of potential acquisitions and divestitures. Since then, we have acquired Mintronics, Sanyo Switch, Amra Narayan Group, and Custom Biogenic Systems and Divested Procon. As such, the composition of the company is meaningfully different. We now target reaching greater than \$1.15 billion in sales by fiscal year 2028 versus the prior target of greater than \$1 billion in sales. We now target adjusted operating margin of higher than 23% by fiscal year 2028 versus our prior target of greater than 19% margin. We expect to continue to ramp up our R&D investments with a target over 3%. It is now our expectation that with this financial performance, we will increase our return on invested capital to greater than 15.5% versus the prior target of greater than 15%. We expect our free cash flow conversion target ratio to remain at approximately 100% of GAAP net income. Our financial targets apply to our current portfolio of businesses, and exclude the impact of any future acquisition or divestiture. I will now turn the call over to David for concluding remarks.

### **David Dunbar | Chairman, President, and Chief Executive Officer:**

Thank you, Admir. Please turn to slide 12. I'm very proud of our team for their continued operational execution and for their efforts in integrating the largest acquisition in the company's history, both of which helped us achieve our record-adjusted operating margin in the fiscal second quarter. We remain optimistic about the long-term secular trends that will benefit from infrastructure upgrades, capacity expansion, and data center demand within the electrical grid, the evolution of space exploration, defense applications, and from the transition from internal combustion to hybrid and electric vehicles in automotive. For the remainder of fiscal 2025, we expect our end markets to improve with sales in the electrical grid and market providing an additional tailwind. To support our future growth, we continue to invest in new product development and new applications across markets with growth potential. We are on track to release over a dozen new products this fiscal year across our businesses, which are now expected to contribute approximately 200 basis points of incremental growth. With the acquisition of the Ameren Orion Group, we intend to use our cash flows to reduce debt while we maintain flexibility to fund an active pipeline of organic and inorganic growth opportunities that support future growth. We are increasing our fiscal 2028 long-term targets to sales of greater than \$1.15 billion, adjusted operating margin of greater than 23%, and ROIC of greater than 15.5%. We will now open the line for questions.

### **Operator:**

Thank you. Ladies and gentlemen, we will now begin the question and answer session. Should you have a question, please press star followed by the one on your telephone keypad. You will hear a prompt that your hand has been raised, and should you wish to cancel your request, please press star followed by the two. If you are using a speakerphone, please lift the handset before pressing any keys.

**spk06:**

One moment, please, for your first question.

**Operator:**

Your first question comes from the line of Gary Prestopino from Barrington Research. Please go ahead.

**Gary Prestopino | Analyst at Barrington Research:**

Hey, good morning, Dave and Adam here.

**David Dunbar | Chairman, President, and Chief Executive Officer:**

Good morning, Gary. Good morning.

**Gary Prestopino | Analyst at Barrington Research:**

A couple of questions here. First of all, I just want to make sure we clarify this with these new targets. Is the sales number and the adjusted operating margin number, is that an exit rate in Q4-28, or is that for the full year?

**Ademir Sarcevic | Chief Financial Officer and Treasurer:**

That would be, Gary, that would be for the full year or exit rate at the end of FY27. So either full year 28 or exiting FY27.

**Gary Prestopino | Analyst at Barrington Research:**

Okay, so full year. Okay, great. And then, Adamir, I know you gave us what the interest expense is going to be quarterly going forward. Could you maybe give us an idea of what the DNA is going to be when you have a full three months of the acquisition under your belt on a quarterly basis?

**Ademir Sarcevic | Chief Financial Officer and Treasurer:**

Yeah, sure. So our historic amortization expense before the Amaran Orion acquisition was about \$2 million per quarter. We think that's probably going to be around \$4 to \$5 million going forward, once we have three months of Amaran Orion in our run rate. So that will be for the amortization, and then for depreciation, \$20 to \$22 million per year.

**Gary Prestopino | Analyst at Barrington Research:**

Okay, so \$22 million for depreciation. And what did you say was the amortization? \$4 million per quarter?

**spk11:**

Yeah, \$4 to \$5. Okay. Per quarter. Great.

**Gary Prestopino | Analyst at Barrington Research:**

And then given the – when you made the acquisition of Amron, you said it had about a 40% adjusted EBITDA margin, and I would assume that that holds – for what they did in calendar 24?

**spk11:**

Yes.

**Gary Prestopino | Analyst at Barrington Research:**

Okay. And then last question and I'll jump off. With this potential Stargate project, who would be your main competition there and what you supply, you know, if this project gets off the ground?

**David Dunbar | Chairman, President, and Chief Executive Officer:**

Yeah, so we would get into those facilities in a couple ways. If you think about Amer and Orion with the instrument transformers, those sales would be into the OEM equipment providers like Eaton, GE, Schneider, depending on who gets the contracts. So we're actually agnostic about who gets it because they're all customers of ours.

**Gary Prestopino | Analyst at Barrington Research:**

Okay, so I guess the inference from that is that if this gets off the ground, these companies would be supplying most of the products, and you would be in a great position to be supplying what you supply to each of these companies.

**David Dunbar | Chairman, President, and Chief Executive Officer:**

Yeah, so they'll provide the switchgear, the transformers, and the substations to support the power there, and in each of those pieces of equipment would be the instrument transformers from our business.

**Gary Prestopino | Analyst at Barrington Research:**

Okay, thank you very much.

**David Dunbar | Chairman, President, and Chief Executive Officer:**

Yeah, thank you, Gary.

## **Gary Prestopino | Analyst at Barrington Research:**

Thanks, Gary.

## **Operator:**

Thank you. And your next question comes from the line of Chris Moore from CGA Ask Situate Youth. Please go ahead.

## **Chris Moore | Analyst at CGA Ask Situate Youth:**

Hey, good morning, guys. Thanks for taking a couple. Chris? Yeah, maybe just talk a little bit about the puts and takes for organic growth in 2H. You know, is Q4 more likely than Q3? Just, you know, what kind of visibility? you have towards organic growth at this stage.

## **David Dunbar | Chairman, President, and Chief Executive Officer:**

I'll say a couple words and turn it over to Adam here. If you look at the first half to second half, the first half, the downside surprise for us was the softness in the engraving business from the auto OEMs with their delays and cancellations of programs. So they were at a low point in Q2. Their Q3 is always soft. As Adam mentioned in the prepared remarks, though, the tool shops are getting very busy. So we do anticipate that by Q4 and into Q1 next year, engraving will pick up. In all other businesses, order trends are good. We see a ramp there.

## **Ademir Sarcevic | Chief Financial Officer and Treasurer:**

Yeah, no, I think that's right. You know, we're very pleased with the order rates we are seeing in electronics and both in the core business as well as in the Amaran Orion Group. And we think that's going to provide us a nice tailwind as we kind of get into this core, especially when we get into our fiscal Q4 and beyond. So we feel pretty optimistic about general trends we are seeing, minus the engraving.

## **Chris Moore | Analyst at CGA Ask Situate Youth:**

All right. I appreciate that. So I just want to make sure I'm looking at Amaran correctly. I mean, we When you closed, you had talked about \$100 million in revenue. You know, in two months, it looks like you said it was a record December. It looks like they did closer to \$25 million. Is there any seasonality here? Can sales be lumpy quarter to quarter, you know, just with some big quarters that happened to be in December? Just any thoughts there?

## **spk02:**

Yeah, sure, Chris.

## **Ademir Sarcevic | Chief Financial Officer and Treasurer:**

There's really not much seasonality. And, you know, just as a reminder, we had Amaran Orion in our portfolio as part of Standex Company for two months. And in those two months, the sales for the Amaran Orion group were about \$19.5 million. So, you know, it's about \$10 million per month run rate right now. So you can

annualize that and see that, you know, that \$100 million is not \$100 million anymore. It's more like \$120 million.

**Chris Moore | Analyst at CGA Ask Situate Youth:**

Okay. Got it. And in terms of moving forward, the 30% that they did, that's aggressive, but double digit is what we're talking about, you know, more in the, somewhere in the teens.

**David Dunbar | Chairman, President, and Chief Executive Officer:**

Yeah. So I'd say that their current run rate, their current growth continues to be at that same momentum we showed last year, the 20, 30%. But if you look out over a year or two, we're still recommending a 15% model. We need some more time with this business as we get to know the customers and the customers' plans. We think 15% is a very solid expectation, could be higher than that. They certainly are growing faster than that at this moment.

**Chris Moore | Analyst at CGA Ask Situate Youth:**

Got it. And maybe just one more big picture on Ameren in terms of the integration. You know, just trying to get a sense of how long it takes. I mean, for example, you talked about them needing to create a footprint in Europe. Is that something that can be done over the next year or just any sense as to kind of what that evolution looks like?

**David Dunbar | Chairman, President, and Chief Executive Officer:**

Yeah, no question. Our plan is to have a footprint in Europe in the calendar year. It's receiving a lot of attention now. We put some of our European management team on this, working with the Narayan team out of India. And we've already had many discussions with customers to sort out the planning of which particular products need to be ramped up first. So this is very much a live project.

**Chris Moore | Analyst at CGA Ask Situate Youth:**

Got it. And maybe just the last one for me. The engraving restructuring, it's \$4 million. Is there, is that, people, is that facilities, and any insight there?

**spk02:**

It is, Chris, it's both. It's both facilities, consolidation, and, you know, headcount reduction for the roles we don't plan to replace. Got it. I will leave it there. I appreciate it, guys. Thank you.

**spk11:**

Thank you.

**Operator:**

Thank you. And your next question comes from the line of Frost Bear Black from William Blair. Please go ahead.

**spk11:**

Hey, good morning, gentlemen.

**Frost Bear Black | Analyst at William Blair:**

Hey, Ross. Hey, guys. Can you maybe remind us where capacity stands for the Amron asset and then just maybe what the margin profile was a couple years back before we saw the acceleration in orders?

**David Dunbar | Chairman, President, and Chief Executive Officer:**

Well, the margin – let me start with the last question first. The margin before COVID was – they were in the mid to upper 30s, and they've kind of ramped into the 40s primarily on leverage, but it's always been a healthy margin profile. So I think we think where they're running now is representative. In terms of capacity, they were running their plants at one shift. And so we're working with them now to add a second shift and even a third shift. So what would that mean? They're maybe at 60% capacity with the expansion that those shifts can give us. And then as we just mentioned before, we're looking at this European site to add additional capacity.

**spk02:**

Yeah, that's right.

**Frost Bear Black | Analyst at William Blair:**

Got it. That's very helpful. And then a good segue there. We think about kind of, you know, the coming capacity expansion in Europe. I mean, what does that imply for the 23% margin walk? I know you guys also have, you know, a growing productivity pipeline for the core business. Cause you know, first glance, it looks like that 23% is largely just the mix of Amran and the Amort exclusion.

**spk02:**

Yeah. I mean, I think, uh,

**Ademir Sarcevic | Chief Financial Officer and Treasurer:**

You know, obviously, Amaran margins are extremely healthy. And, you know, we do expect we're going to get, you know, leverage on the sales or the setup we're going to have in Europe. You know, but we also think we can get a very healthy margin expansion on our core businesses. I think historically, Ross, we have proven between price and productivity. You know, we know how to drive margin improvement. And, you know, we do expect as we get into the later part of this fiscal year, into next year, that we're going to start seeing a healthy organic growth in our electronics core business. which also should help us drive the margin expansion. And scientific also has been very, very healthy. And those are the two segments that drive the

overall margin expansion for the company. And as you have seen, engraving has given us a little bit of a headwind this quarter. And we think as we get into the next fiscal year, that's going to be that and get a little bit easier from a comp standpoint as well.

**Frost Bear Black | Analyst at William Blair:**

Okay. If I can, you know, two more here. I mean, on scientific with the pharmacy decline, can you maybe help us size what that, you know, deceleration was versus kind of the growth in the research and industrial? I believe it's like a third of that business. And maybe just remind us where we are in the down cycle for pharmacy at scientific.

**David Dunbar | Chairman, President, and Chief Executive Officer:**

Well, maybe a way to look at it. I think Adam is looking up the numbers. At a peak back in COVID, I think the pharmacies were running just over \$20 million a year. I think now it's about \$2 million a year.

**Ademir Sarcevic | Chief Financial Officer and Treasurer:**

That's right.

**David Dunbar | Chairman, President, and Chief Executive Officer:**

Yeah, that's right. So you can maybe back into it. So we have had kind of a strengthening in the other parts of the business. You can kind of do the math there.

**Frost Bear Black | Analyst at William Blair:**

But we're really at a trough level here, so it's all upside. And then this last one on electronics. Book the bill. It was slightly positive. But what were the organic orders for electronics?

**Ademir Sarcevic | Chief Financial Officer and Treasurer:**

Yeah, so the book to build for the core business was about one, and Amaran Orion was at about 1.2. So that gets us to about 1.02 average.

**Frost Bear Black | Analyst at William Blair:**

Perfect. All right. Thank you, gentlemen. Thank you. Thanks.

**Operator:**

Thank you. Once again, should you have a question, please press star followed by the one on your telephone keypad. Your next question comes from the line of Mike Schliske from DA Davidson. Please go ahead.

**spk11:**

Hey there. Good morning. Thanks for taking my questions.

**Mike Schliske | Analyst at D.A. Davidson:**

Hey, David, I wanted to talk about maybe your thoughts on your new product launches and the pipeline there. I was kind of curious as to what might happen after fiscal 2025, which is really only a few months away at this point. Do you have a similar cadence for next year or maybe even an acceleration ahead? Just give us some thoughts as to what the next wave is like. what new product discussions might look like.

**David Dunbar | Chairman, President, and Chief Executive Officer:**

Yeah, so we do have, if we look at FY26, I think we've got roughly the same, well, you know, it's 18 months out to the end of fiscal year 25, but fiscal 26, the products that are queued up to be released in fiscal year 26, about the same order of magnitude as those in FY25. So we've got, you know, we started the new product development three or four years ago. It takes a while for these things to start coming out, but the pipelines are full. So we anticipate a stream of new products, you know, every year going forward. And this is the first full year, the first year the pipelines have been full in launching new products.

**spk11:**

Great. My other question is,

**Mike Schliske | Analyst at D.A. Davidson:**

There have been some successful space launches over the last month or two here from some newer players or players expanding greatly in what they're doing in this first space initiatives. Can you comment on, are there any major chunky pieces of business coming in the next couple of quarters that we should be aware of for our models, or do you see more of a smooth delivery pipeline ahead?

**spk11:**

Let's see. First of all, our

**David Dunbar | Chairman, President, and Chief Executive Officer:**

our content in space is on the larger vehicles. So some of the newer players you've heard about have smaller vehicles and we don't make the domes for them. So if you listen to the launch announcements from ULA, the larger vehicles from everybody, that's what drives our business. And that is still ramping into next year and the year after and then should be kind of on a gradual and steady increase as we get to 26, 27, 28.

**spk11:**

Great. I'll leave it there. Thanks so much. All right. Thank you, Mike.

**Operator:**

Thank you. There are no further questions at this time. I would now like to turn the call over to Mr. David Dunbar for any closing remarks.

**David Dunbar | Chairman, President, and Chief Executive Officer:**

I want to thank everybody for listening to the call today. We enjoy reporting on our progress at STANDEX. And finally, I want to thank our employees, the board of directors and shareholders for your continued support and contributions. We look forward to speaking with you again in our fiscal third quarter 2025 call.

**Operator:**

Thank you. And this concludes today's call. Thank you for participating and we all disconnect.