

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

/X/ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934 For the fiscal year ended December 31, 1994

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 For the transition period from _____
to _____

Commission file number 1-10235

IDEX CORPORATION

(Exact Name of Registrant As Specified in Its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

36-3555336
(I.R.S. Employer Identification No.)

630 Dundee Road
Northbrook, Illinois
(Address of principal executive offices)

60062
(Zip Code)

Registrant's telephone number, including area code: (708) 498-7070

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
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common stock, par value \$.01 per share	New York Stock Exchange
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SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. /X/

The aggregate market value of the voting stock held by nonaffiliates of IDEX Corporation as of March 14, 1995 was \$374,195,747.

The number of shares outstanding of IDEX Corporation's common stock, par value \$.01 per share (the "Common Stock"), as of March 14, 1995 was 19,080,621.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the 1994 annual report to shareholders of IDEX Corporation (the "1994 Annual Report") are incorporated by reference into Parts I and II of this Form 10-K and portions of the definitive Proxy Statement of IDEX

Corporation (the "1995 Proxy Statement") with respect to the 1995 annual meeting of shareholders are incorporated by reference into Part III of this Form 10-K.

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PART I

ITEM 1. BUSINESS.

IDEX ("IDEX" or the "Company") designs, manufactures and markets a broad range of fluid handling and industrial products serving a diverse customer base in the United States and internationally. IDEX competes with relatively few major manufacturers in most of its markets, and believes that each of its ten principal subsidiaries (the "Subsidiaries") has a significant domestic market share in its principal product area. The Company manufactures proprietary products of its own design with an engineering content. Generally, all of the Company's businesses compete on the basis of performance, quality, service and price.

FLUID HANDLING GROUP

The Fluid Handling Group, which in 1994 accounted for 69% of the Company's total sales, manufactures a wide variety of industrial pumps and controls, fire-fighting pumps and rescue equipment, small horsepower compressors, and lubrication systems. In 1994, approximately 30% of this Group's sales were to customers outside the U.S. The six business units comprising this Group are described below.

CORKEN. Corken, headquartered in Oklahoma City, Oklahoma, with a sales office in Singapore, produces small horsepower compressors, vane and turbine pumps and valves used for the transfer of liquified petroleum gas ("LPG"), compressed natural gas, and other gaseous substances.

Management believes Corken has approximately 50% of the market for pumps and small horsepower compressors used in LPG distribution. Its principal competitor in this market is the Blackmer division of Dover Corporation. Corken faces many significant competitors in the industrial (non-LPG distribution) segment of its business. Most of Corken's sales are made through domestic and international distributors which incorporate Corken's products in engineered packages sold to ultimate users. Repair and after-market sales account for approximately 40% of Corken's total sales volume. Shipments outside the United States represent approximately 35% of total Corken sales.

HALE PRODUCTS. Hale Products, acquired by IDEX in May 1994, is the newest business in the Fluid Handling Group, and has its headquarters and a manufacturing facility in Conshohocken, Pennsylvania. It also has production facilities in Shelby, North Carolina; St. Joseph, Tennessee; and Warwick, England; and service and distribution centers in Dieburg, Germany and Singapore.

Hale Products is the world's leading manufacturer of truck-mounted fire-fighting pumps and manufactures fire truck pumps under both the U.S. and European design standards. Hale complements its line of fire truck pumps with a range of portable, mobile and freestanding pumping units and also manufactures products which form the Hurst Jaws of Life(R) rescue system. It is estimated to have a 50% share of the U.S. and an 80% share of the U.K. markets for truck-mounted fire pumps and a 60% share of the U.S. market for rescue tools. Hale's principal competitor in the U.S. truck-mounted fire pump market is the Waterous Company, a subsidiary of American Cast Iron Pipe Company.

Sales of Hale's truck-mounted fire pumps are made directly to manufacturers of fire trucks, while portable pumps and rescue tools are generally sold through independent distributors. Approximately 40% of Hale's sales occur outside the United States.

LUBRIQUIP. Lubriquip is headquartered in Warrensville Heights, Ohio and

also has manufacturing plants in McKees Rocks, Pennsylvania, and Madison, Wisconsin and a sales office in Singapore. Its products include a wide range of centralized oil and grease lubrication systems and force-feed lubricators marketed under the Trabon, Manzel, Grease Jockey, Kipp and OPCO trademarks for use in general industrial and transportation applications. Lubriquip offers a wide variety of customized systems using selected standard components to meet specific customer requirements. Lubriquip is subject to competition from several companies in both the domestic and international markets; however, management estimates that Lubriquip is the largest producer of such systems with approximately one-third of the domestic market for centralized lubricating systems.

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Lubriquip's system components include pumps and pump packages for pneumatic, mechanical, electric and hydraulic operation; metering devices, electronic controllers, monitors and timers, and accessories. These systems are sold through independent distributors to a wide range of industrial markets, including machine tools (both automotive and general purpose), chemical processing, construction equipment, food processing machinery, engine and compressor, railroad, and over-the-road truck industries. Lubriquip's products are available worldwide through over 100 independent distributors, with international sales representing approximately 15% of total shipments. Through these networks, Lubriquip also provides an extensive support system of application engineering, service and repair parts for its products.

PULSAFEEDER. Pulsafeeder, acquired by IDEX in May 1992, has its headquarters and a manufacturing facility in Rochester, New York. It also manufactures products in Punta Gorda, Florida, and Muskogee, Oklahoma, and has sales offices in Singapore and Beijing, China. Pulsafeeder designs and markets a wide range of metering pumps and controls. These products precisely regulate the flow of liquids in mixing and blending applications. Primary markets served are water and wastewater treatment, chemical and hydrocarbon processing, food processing, and warewash institutional.

Pulsafeeder products are grouped into three categories: engineered pumps, standard pumps and electronic controls. Engineered pumps, designed and manufactured in Rochester, New York, include positive displacement, hydraulically-actuated diaphragm pumps used in precise metering applications in such industries as electric/gas utilities, chemical process, petroleum refining and pharmaceuticals, as well as specialty pumps targeted at niche markets, including pumps designed to handle highly corrosive chemicals. Standard pumps, manufactured in Punta Gorda, Florida, represent a growing portion of Pulsafeeder's business, and include metering pumps designed for water treatment and water conditioning applications. Electronic controls, manufactured in Muskogee, Oklahoma, are of advanced microprocessor-based design, and are used to control the chemical composition of fluids being pumped, including such applications as recirculating systems for cooling towers and boilers in the water treatment market.

Pulsafeeder pumps are sold through an extensive network of company sales personnel and independent representatives. Management believes that Pulsafeeder has approximately 35% of the domestic market for metering pumps used in the process industries and water treatment markets. Approximately 20% of its sales are outside of the United States. Pulsafeeder's principal competitor is Milton Roy Company, a subsidiary of Sunstrand Corporation.

VIKING PUMP. Viking Pump, headquartered in Cedar Falls, Iowa, is the largest business unit in the Company's Fluid Handling Group and is one of the largest producers of positive displacement rotary internal gear pumps (Viking's main product) and spur gear pumps. Management believes that Viking pumps, which are classified as rotary pumps, represent approximately 25% of the domestic rotary pump market and 45% of the domestic rotary pump market in chemical processing. Viking's principal rotary pump competitors are Roper Industries and the Blackmer division of Dover Corporation. Viking's other products include rotary lobe and metering pumps, speed reducers, flow dividers and basket-type

line strainers.

Viking pumps are used by numerous industries such as the chemical, petroleum, food, pulp and paper, machinery and construction industries. Viking is not dependent on any one industry for a substantial percentage of its sales. Sales of Viking pumps and replacement parts are made through approximately 100 independent distributors and directly to original equipment manufacturers. Approximately 30% of Viking's sales occur outside of the United States. In addition to its facilities in Cedar Falls, Iowa, Viking also maintains manufacturing facilities in Eastbourne, England; Windsor, Ontario; Shannon, Ireland; participates in a joint venture in Mexico; and has sales offices in Amsterdam; Singapore; Woodbridge, Ontario; and Beijing, China.

Viking operates two foundries in Cedar Falls, Iowa which supply a majority of Viking's castings requirements. In addition, these foundries sell a variety of castings to outside customers.

WARREN RUPP. Warren Rupp is a producer of air-operated and motor-driven double-diaphragm pumps, generally sold under the SandPIPER tradename. This business unit is headquartered in Mansfield, Ohio and has a distribution facility in Shannon, Ireland to serve the European market and a sales office in Singapore. Warren Rupp's principal competitor is Wilden Pump and Engineering Co. Management believes that Warren Rupp has approximately one-third of the domestic market for air-operated double-diaphragm pumps.

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Warren Rupp's pumps are well suited for pumping liquids, slurries and solids in suspension. Its pump models are made from cast iron, stainless steel and non-metallic composites to meet requirements to pump various types of material. End-user markets include the paint, chemical, mining, construction, and automotive service industries. Warren Rupp pumps are sold through a network of independent distributors and directly to a small number of original equipment manufacturers. Sales outside of the United States represent approximately 40% of total Warren Rupp sales.

INDUSTRIAL PRODUCTS GROUP

The Industrial Products Group, which in 1994 accounted for 31% of the Company's total sales, manufactures sheet metal fabricating equipment and tooling, stainless steel banding and clamping devices, vibration control devices, and sign-mounting products and systems. In 1994, approximately 36% of this Group's sales were to customers outside the U.S. The four business units comprising this Group are described below.

BAND-IT. Band-It, headquartered in Denver, Colorado, is one of the largest worldwide producers of stainless steel bands, buckles and preformed clamps and related installation tools. Its clamps are used to secure hoses to nipples, devices to pipes and poles, signs to sign standards, fences to posts, insulation to pipes, and for hundreds of other industrial clamping functions. Band-It also has developed an exclusive line of tools for installing its clamping devices.

Band-It is subject to competition from several companies in both the domestic and international markets; however, management believes that Band-It has approximately 50% of the domestic market for quality stainless steel bands and buckles. Band-It markets its products domestically and internationally. It has manufacturing and distribution facilities in Staveley, England and in Singapore to serve the European and Pacific Basin markets. International sales account for approximately 45% of Band-It's sales. Its products are sold through a worldwide network of nearly 4,000 distributors to a wide range of markets, including the transportation, utilities, mining, oil and gas, industrial maintenance, construction, communication and electronics industries.

SIGNFIX. Signfix, acquired by IDEX in November 1993, has its headquarters and a manufacturing facility near Bristol, England, with another

manufacturing facility in Tipton, England. Signfix also has distribution facilities in France and Germany.

Signfix is the leading U.K.-based manufacturer of sign-mounting devices and related equipment with an estimated 45% U.K. market share. Signfix products include road, traffic and commercial sign-mounting systems and stainless steel bands and clamps for various municipal, commercial and industrial applications. Management estimates that 20% of Signfix sales are to customers outside the U.K.

STRIPPIT. Strippit, headquartered in Akron, New York, with sales and service offices in Swindon, England; Paris, France; Singapore and Beijing, China, is the largest business unit in the Company's Industrial Products Group and is a manufacturer of a broad range of sheet metal fabricating equipment and tooling. Strippit produces equipment which incorporates a high proportion of state-of-the-art technology and has numerous active patents in machine tool technology, none of which is individually material to its operations. Strippit's products include single station semi-automatic fabricators; advanced computer-controlled turret punching machines (including models with plasma arc or laser cutting heads); punches, dies and related tooling items; load/unload systems for use in conjunction with Strippit's equipment; and hand-operated metal forming machines for use in industries which utilize light gauges of sheet metal. Strippit also is a distributor of Burgmaster metal-cutting machines and parts. Strippit's products are sold through a combination of direct sales and independent distributors and agents to a large and diverse customer base, including customers in the electronics, office, farm and hospital equipment markets. Approximately 25% of Strippit's total sales are to customers outside the U.S.

Strippit is one of the largest domestic producers of its type of metal fabricating equipment, and management believes it has approximately 30% of the domestic market for numerically controlled punching machines. Its principal competitor, U.S. Amada, Ltd., is a Japanese firm which, based on its combined domestic production and imports, is currently believed to have a somewhat larger share of the numerically controlled punching machine market in the United States.

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VIBRATECH. Vibrattech, headquartered in Buffalo, New York, produces a broad line of engineered long-life mechanical energy absorption devices, providing vibration and motion control for transportation equipment, machinery manufacturers and other users. Vibrattech's three major product lines are: viscous torsional vibration dampers used primarily for heavy duty diesel engines and transmissions; fluid and friction ride control products for rail, truck and vehicle manufacturers; and specialized aircraft vibration and motion control dampers. In addition, Vibrattech produces viscous torsional vibration dampers for motorsport engines. The largest portion of its sales are made directly to original equipment manufacturers who also service the replacement parts market.

Vibrattech's principal competitor in the viscous torsional vibration damper market for heavy duty diesel engines is a United Kingdom-based subsidiary of Cummins Engine, Inc., which serves the damper requirements of Cummins in the United States market. Management believes that Vibrattech has approximately 40% of the domestic market for viscous torsional vibration dampers, including that portion serviced by captive producers. Sales outside the United States are approximately 10% of Vibrattech's total sales.

GENERAL ASPECTS APPLICABLE TO THE COMPANY'S BUSINESS GROUPS

EMPLOYEES. At December 31, 1994, IDEX had approximately 3,000 employees, of which approximately one-third were represented by labor unions with various contracts expiring from January 1996 through November 1998. Management believes that its relationship with its employees generally is good and that it will be

able to satisfactorily renegotiate its collective bargaining agreements upon their expiration.

SUPPLIERS. IDEX manufactures many of the materials and components used in its products. Substantially all materials and components purchased by IDEX are available from multiple sources.

INVENTORY AND BACKLOG. Backlog does not have any material significance in either of the Company's business segments. The Company regularly and systematically adjusts production schedules and quantities based on the flow of incoming orders. While total inventory levels may also be affected by changes in orders, the Company generally tries to maintain relatively stable inventory levels based on its assessment of the requirements of the various industries served.

SEGMENT INFORMATION. For segment financial information for the years 1994, 1993 and 1992 see the table presented on page 17 under "Management's Discussion and Analysis of Financial Condition and Results of Operations," as set forth in the 1994 Annual Report and incorporated herein by reference, and Note 11 of the Notes to Consolidated Financial Statements on page 28 of the 1994 Annual Report, which is incorporated herein by reference.

EXPORTS. For export information for the years 1994, 1993 and 1992, see Note 11 of the Notes to Consolidated Financial Statements on page 28 of the 1994 Annual Report, which is incorporated herein by reference.

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EXECUTIVE OFFICERS OF THE REGISTRANT

The following table sets forth the names of the executive officers of the Company, their ages, the positions and offices with the Company held by them, and their business experience during the past 5 years.

Name	Position with IDEX and Business Experience
-----	-----
Donald N. Boyce (Age 56)	Chairman of the Board, President and Chief Executive Officer since prior to January 1990.
Frank J. Hansen (Age 53)	Senior Vice President - Operations and Chief Operating Officer since August 1994; Vice President-Group Executive from January 1993 to July 1994; President of Viking Pump, Inc. from prior to January 1990 to July 1994.
Wayne P. Sayatovic (Age 49)	Senior Vice President - Finance, Chief Financial Officer and Secretary since August 1994; Vice President - Finance, Chief Financial Officer and Secretary from January 1992 to July 1994; Vice President, Treasurer and Secretary from prior to January 1990 to December 1991.
Jerry N. Derck (Age 48)	Vice President - Human Resources since November 1992; Vice President - Human Resources, North America of Tupperware Corporation, a subsidiary of Premark International from May 1990 to October 1992; Vice President, Quality and Human Resources of Schlegel Corporation from prior to January 1990 to May 1990.

Wade H. Roberts, Jr. (Age 48) Vice President - Group Executive since January 1993; President of Hale Products, Inc. since May 1994; President of Stripplit, Inc. from August 1990 to May 1994.

Mark W. Baker (Age 47) Vice President - Group Executive since August 1994; President of Lubriquip, Inc. from prior to January 1990.

The Company's executive officers are elected at a meeting of the Board of Directors immediately following the annual meeting of shareholders, and they serve until the next annual meeting of the Board, or until their successors are duly elected.

ITEM 2. PROPERTIES.

The Company's executive offices occupy approximately 10,000 square feet of leased space in Northbrook, Illinois. The Company's principal manufacturing facilities are listed below and are considered to be suitable and adequate for their operations. Management believes that, in general, approximately 50% to 80% of its manufacturing capacity is currently utilized in each facility.

FLUID HANDLING GROUP

LOCATION -----	APPROXIMATE AREA (IN SQ. FT.) -----	OWNED OR LEASED -----
Corken		
Oklahoma City, Oklahoma	67,000	Leased
Hale		
Conshohocken, Pennsylvania	187,000	Owned
Shelby, North Carolina	39,000	Owned
St. Joseph, Tennessee	34,000	Owned
Warwick, England.....	61,000	Owned
Dieburg, Germany	12,000	Leased
Lubriquip		
Warrensville Heights, Ohio	90,000	Owned
McKees Rocks, Pennsylvania	35,000	Owned
Madison, Wisconsin	50,000	Leased
Pulsafeeder		
Rochester, New York	113,000	Leased
Punta Gorda, Florida	80,000	Owned
Muskogee, Oklahoma	31,000	Owned
Viking Pump		
Cedar Falls, Iowa	460,000	Owned
Shannon, Ireland	19,000	Leased
St. Louis, Missouri	11,000	Leased
Windsor, Ontario	35,000	Owned
Eastbourne, England	16,000	Leased
Warren Rupp		
Mansfield, Ohio	79,000	Owned

INDUSTRIAL PRODUCTS GROUP

LOCATION -----	APPROXIMATE AREA (IN SQ. FT.) -----	OWNED OR LEASED -----
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Band-It

Denver, Colorado	84,000	Owned
Staveley, England	34,000	Leased
Signfix		
Bristol, England	13,000	Owned
Bristol, England	12,000	Leased
Tipton, England.....	25,000	Owned
Strippit		
Akron, New York	255,000	Owned
Vibratech		
Buffalo, New York	342,000	Owned
Alden, New York	93,000	Owned

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ITEM 3. LEGAL PROCEEDINGS.

The Company and the Subsidiaries are party to various legal proceedings arising in the ordinary course of business, none of which is expected to have a material adverse effect on the Company's business or financial condition.

The Subsidiaries are subject to extensive federal, state and local laws, rules and regulations pertaining to environmental, waste management and health and safety matters. Permits are or may be required for some of the Subsidiaries' facilities and waste-handling activities and these permits are subject to revocation, modification and renewal. In addition, risks of substantial costs and liabilities are inherent in the Subsidiaries' operations and facilities, as they are with other companies engaged in similar industries, and there can be no assurance that such costs and liabilities will not be incurred. The Company is not aware of any environmental, health or safety matter which could, individually or in the aggregate, materially adversely affect the financial condition of the Company or any of the Subsidiaries.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON STOCK AND RELATED SHAREHOLDER MATTERS.

Information regarding the prices of and dividends on the Common Stock, and certain related matters, is incorporated herein by reference to "Shareholder Information" at inside back cover of the 1994 Annual Report.

The principal market for the Common Stock is the New York Stock Exchange. As of March 14, 1995, the Common Stock was held by 1,390 shareholders and there were 19,080,621 shares of Common Stock outstanding.

ITEM 6. SELECTED FINANCIAL DATA.

The information set forth under "Historical Data" at page 15 of the 1994 Annual Report is incorporated herein by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The information set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations" at pages 16 to 19 of the 1994 Annual Report is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The consolidated financial statements of IDEX, including the notes thereto, together with the report thereon of Deloitte & Touche LLP at pages 20 to 30 of the 1994 Annual Report are incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

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PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

Certain information regarding the directors of the Company is incorporated herein by reference to the information set forth under "Election of Directors" at pages 2 to 5 of the 1995 Proxy Statement.

Information regarding executive officers of the Company is incorporated herein by reference to Item 1 of this report under the caption "Executive Officers of the Registrant" at page 5.

Certain information regarding compliance with Section 16(a) of the Securities and Exchange Act of 1934, as amended, is incorporated herein by reference to the information set forth under "Compliance with Section 16(a) of the Exchange Act" at page 18 of the 1995 Proxy Statement.

ITEM 11. EXECUTIVE COMPENSATION.

Information regarding executive compensation is incorporated by reference to the materials under the caption "Compensation of Directors and Executive Officers" at pages 7 to 14 of the 1995 Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

Information regarding security ownership of certain beneficial owners and management is incorporated herein by reference to the information set forth under "Principal Shareholders" at pages 15 to 17 of the 1995 Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

Information regarding certain relationships and related transactions is incorporated herein by reference to the information set forth under "Election of Directors -- Certain Interests" and "Compensation of Directors and Executive Officers -- Compensation Committee Interlocks and Insider Participation" at pages 6 and 9 of the 1995 Proxy Statement.

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PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K.

(a) 1. Financial Statements

The following financial statements are incorporated herein by reference to the 1994 Annual Report.

	1994 Annual Report Page -----
Consolidated Balance Sheets as of December 31, 1994 and 1993	18
Statements of Consolidated Operations for the	19

Years Ended December 31, 1994, 1993 and 1992

Statements of Consolidated Shareholders' Equity for the Years Ended December 31, 1994, 1993 and 1992	20
Statements of Consolidated Cash Flows for the Years Ended December 31, 1994, 1993 and 1992	21
Notes to Consolidated Financial Statements	22

2. Financial Statement Schedules

The financial statement schedule filed with this report are listed on the "Index to Financial Statement Schedules."

3. Exhibits

The exhibits filed with this report are listed on the "Exhibit Index."

(b) Reports on Form 8-K

In a report filed on Form 8-K dated December 12, 1994, the Company reported that its Board of Directors authorized a three-for-two common stock split and approved a cash dividend on common stock. The three-for-two split is effected in the form of a 50 percent stock dividend, to be distributed on January 31, 1995, to shareholders of record as of January 17, 1995. The cash dividend on the post-split shares has been initially set at 14 cents per common share per calendar quarter. The first cash dividend was paid on January 31, 1995, to shareholders of record on January 17, 1995.

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934, THE REGISTRANT HAS DULY CAUSED THIS REPORT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO DULY AUTHORIZED, ON THE 14th DAY OF MARCH, 1995.

IDEX CORPORATION

By /s/ WAYNE P. SAYATOVIC
Wayne P. Sayatovic
Senior Vice President - Finance,
Chief Financial Officer and Secretary

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934, THIS REPORT HAS BEEN SIGNED BY THE FOLLOWING PERSONS ON BEHALF OF THE REGISTRANT AND IN THE CAPACITIES AND ON THE DATES INDICATED:

SIGNATURE - - - - -	TITLE - - - - -	DATE - - - - -
/s/ DONALD N. BOYCE Donald N. Boyce	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	March 14, 1995
/s/ WAYNE P. SAYATOVIC Wayne P. Sayatovic	Senior Vice President - Finance, Chief Financial Officer and Secretary	March 14, 1995

(Principal Financial
and Accounting Officer)

/s/ RICHARD E. HEATH Richard E. Heath	Director	March 14, 1995
/s/ HENRY R. KRAVIS Henry R. Kravis	Director	March 14, 1995
/s/ WILLIAM H. LUERS William H. Luers	Director	March 14, 1995
/s/ PAUL E. RAETHER Paul E. Raether	Director	March 14, 1995
/s/ CLIFTON S. ROBBINS Clifton S. Robbins	Director	March 14, 1995
/s/ GEORGE R. ROBERTS George R. Roberts	Director	March 14, 1995
/s/ NEIL A. SPRINGER Neil A. Springer	Director	March 14, 1995
/s/ MICHAEL T. TOKARZ Michael T. Tokarz	Director	March 14, 1995

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All other schedules are omitted because they are not applicable, or not required, or because the required information is included in the Consolidated Financial Statements of IDEX or the Notes thereto.

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INDEPENDENT AUDITORS' REPORT

IDEX Corporation:

We have audited the financial statements of IDEX Corporation and its Subsidiaries as of December 31, 1994 and 1993 and for each of the three years in the period ended December 31, 1994, and have issued our report thereon dated January 16, 1995; such financial statements and report are included in your 1994 Annual Report to Shareholders and are incorporated herein by reference. Our audits also included the financial statement schedule of IDEX Corporation, listed in Item 14. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

DELOITTE & TOUCHE LLP
Chicago, Illinois

January 16, 1995

IDEX CORPORATION AND SUBSIDIARIES
 SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS
 FOR THE YEARS ENDED DECEMBER 31, 1994, 1993 AND 1992
 (IN THOUSANDS)

Description -----	Balance Beginning of Year -----	Charged To Costs and Expenses -----	Deductions (1) -----	Other -----	Balance End of Year -----
YEAR ENDED DECEMBER 31, 1994:					
Deducted From Assets To Which They Apply:					
Allowance for Doubtful Accounts.....	\$1,174	\$591	\$484	\$541	\$1,822
YEAR ENDED DECEMBER 31, 1993:					
Deducted From Assets To Which They Apply:					
Allowance for Doubtful Accounts.....	1,100	784	602	(108)	1,174
YEAR ENDED DECEMBER 31, 1992:					
Deducted From Assets To Which They Apply:					
Allowance for Doubtful Accounts.....	915	689	535	31	1,100

 (1) Represents uncollectible accounts, net of recoveries.

EXHIBIT INDEX

Exhibit Number -----	Description -----	Page -----
3.1	Restated Certificate of Incorporation of IDEX (formerly HI, Inc.) (incorporated by reference to Exhibit No. 3.1 to the Registration Statement on Form S-1 of IDEX Corporation, et al., Registration No. 33-21205, as filed on April 21, 1988).	
3.1(a)	Amendment to Restated Certificate of Incorporation of IDEX (incorporated by reference to Exhibit No. 3.2 to Amendment No. 1 to the Registration Statement on Form S-1 of IDEX Corporation, Registration No. 33-28317, as filed on June 1, 1989).	
3.2	Amended and Restated Bylaws of IDEX (incorporated by reference to Exhibit No. 3.2 to Post-Effective Amendment No. 2 to the Registration Statement on Form S-1 of IDEX Corporation, et al., Registration No. 33-21205, as filed on July 17, 1989).	
3.2(a)	Amended and Restated Article III, Section 13 of the Amended and Restated Bylaws of IDEX (incorporated by reference to Exhibit No. 3.2(a) to Post-Effective Amendment No. 3 to the Registration Statement on Form S-1 of IDEX Corporation, et al., Registration No. 33-21205, as filed on February 12, 1990).	
4.1	Restated Certificate of Incorporation and Bylaws of IDEX (filed as Exhibits 3.1 through 3.2(a)).	
4.2	Indenture, dated as of September 15, 1992, among IDEX, the Subsidiaries and The Connecticut National Bank, as Trustee, relating to the 9-3/4% Senior Subordinated Notes of IDEX due 2002 (incorporated by reference to Exhibit 4.2 to the Annual Report of IDEX on Form 10-K for the fiscal year ending December 31, 1992, Commission File No. 1-10235).	
4.3	Specimen Senior Subordinated Note of IDEX (including specimen Guarantee) (incorporated by reference to Exhibit 4.3 to the Annual Report of IDEX on Form 10-K for the fiscal year ending December 31, 1992, Commission File No. 1-10235).	

- 4.4 Specimen Certificate of Common Stock (incorporated by reference to Exhibit 4.3 to the Registration Statement on Form S-2 of IDEX Corporation, et al., Registration No. 33-42208, as filed on September 16, 1991).
- 10.1 Second Amended and Restated Credit Agreement dated as of January 29, 1993 among IDEX, various banks named therein and Continental Bank N.A., as Agent (incorporated by reference to Exhibit 10.1 to the Annual Report of IDEX on Form 10-K for the fiscal year ending December 31, 1992, Commission File No. 1-10235).
- 10.1(a) First Amendment dated as of May 23, 1994 to Second Amended and Restated Credit Agreement dated as of January 29, 1993 by and among IDEX Corporation, various banks named therein and Continental Bank N.A. as agent (incorporated by reference to exhibit 10.18 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1994, Commission File No. 1-10235).

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Exhibit Number - - - - -	Description -----	Page ----
*10.1(b)	Second Amendment dated as of October 24, 1994, to Second Amended and Restated Credit Agreement dated as of January 29, 1993, by and among IDEX Corporation, as borrower and Bank of America Illinois (formerly known as Continental Bank N.A.), as a Bank and as agent, and the other banks signatory thereto.	
10.2	Pledge Agreement, dated January 22, 1988, between IDEX and the Bank Agent (incorporated by reference to Exhibit No. 10.3 to the Registration Statement on Form S-1 of IDEX Corporation, et al., Registration No. 33-21205, as filed on April 21, 1988).	
10.3	Guaranty Agreement, dated January 22, 1988, between each of the Guarantors named therein and the Bank Agent (incorporated by reference to Exhibit No. 10.4 to the Registration Statement on Form S-1 of IDEX Corporation, et al., Registration No. 33-21205, as filed on April 21, 1988).	
10.3(a)	Guaranty Agreement, dated May 7, 1991, by CIC Acquisition Corporation in favor of the Bank Agent (incorporated by reference to Exhibit No. 10.3(a) to the Registration Statement on Form S-1 of IDEX Corporation, et al., Registration No. 33-50220, as filed on July 29, 1992).	
10.3(b)	Guaranty Agreement, dated May 4, 1992, by PLF Acquisition Corporation and MCL Acquisition Corporation in favor of the Bank Agent (incorporated by reference to Exhibit No. 10.3(b) to the Registration Statement on Form S-1 of IDEX Corporation, et al., Registration No. 33-50220, as filed on July 29, 1992).	
*10.3(c)	Guaranty Agreement, dated October 24, 1994, executed by Hale Products, Inc. in favor of the Bank Agent.	
10.4	Inter-Guarantor Agreement, dated as of January 22, 1988, among the Subsidiaries named therein and the Bank Agent (incorporated by reference to Exhibit 4.8 to the Registration Statement on Form S-1 of IDEX Corporation, et al., Registration No. 33-21205, as filed on April 21, 1988).	
10.4(a)	First Amendment to Inter-Guarantor Agreement, dated as of May 7, 1991, among IDEX Corporation and the Subsidiaries named therein (incorporated by reference to Exhibit No. 10.6(a) to the Registration Statement on Form S-1 of IDEX Corporation, et al., Registration No. 33-50220, as filed on July 29, 1992).	
*10.4(b)	Second Amendment to Inter-Guarantor Agreement, dated as of October 24, 1994, by and among IDEX Corporation and the subsidiaries named therein.	

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Exhibit Number -----	Description -----	Page -----
**10.5	Amended and Restated Employment Agreement between IDEX Corporation and Donald N. Boyce, dated as of January 22, 1988 (incorporated by reference to Exhibit No. 10.15 to Amendment No. 1 to the Registration Statement on Form S-1 of IDEX Corporation, Registration No. 33-28317, as filed on June 1, 1989).	
**10.5(a)	First Amendment to the Amended and Restated Employment Agreement between IDEX Corporation and Donald N. Boyce, dated as of January 13, 1993 (incorporated by reference to Exhibit 10.5(a) to the Annual Report of IDEX on Form 10-K for the fiscal year ending December 31, 1992, Commission File No. 1-10235).	
*		
**10.5(b)	Second Amendment to the Amended and Restated Employment Agreement between IDEX Corporation and Donald N. Boyce, dated as of September 27, 1994.	
**10.6	Amended and Restated Employment Agreement between IDEX Corporation and Wayne P. Sayatovic, dated as of January 22, 1988 (incorporated by reference to Exhibit No. 10.17 to Amendment No. 1 to the Registration Statement on Form S-1 of IDEX Corporation, Registration No. 33-28317, as filed on June 1, 1989).	
**10.6(a)	First Amendment to the Amended and Restated Employment Agreement between IDEX Corporation and Wayne P. Sayatovic, dated as of January 13, 1993 (incorporated by reference to Exhibit 10.7(a) to the Annual Report of IDEX on Form 10-K for the fiscal year ending December 31, 1992, Commission File No. 1-10235).	
*		
**10.6(b)	Second Amendment to the Amended and Restated Employment Agreement between IDEX Corporation and Wayne P. Sayatovic, dated as of September 27, 1994.	
**10.7	Employment Agreement between IDEX Corporation and Frank J. Hansen dated as of August 1, 1994 (incorporated by reference to Exhibit No. 10.7 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended September 30, 1994, Commission File No. 1-10235).	
*		
**10.7(a)	First Amendment to the Employment Agreement between IDEX Corporation and Frank J. Hansen, dated as of September 27, 1994.	
*		
**10.8	Employment Agreement between IDEX Corporation and Jerry N. Derck, dated as of September 27, 1994.	
**10.9	Management Incentive Compensation Plan (incorporated by reference to Exhibit No. 10.21 to Amendment No. 1 to the Registration Statement on Form S-1 of IDEX Corporation, Registration No. 33-28317, as filed on June 1, 1989).	
**10.10	Form of Indemnification Agreement (incorporated by reference to Exhibit No. 10.23 to the Registration Statement on Form S-1 of IDEX Corporation, Registration No. 33-28317, as filed on April 26, 1989).	

Exhibit Number -----	Description -----	Page -----
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- **10.11 Form of Shareholder Purchase and Sale Agreement (incorporated by reference to Exhibit No. 10.24 to Amendment No. 1 to the Registration Statement on Form S-1 of IDEX Corporation, Registration No. 33-28317, as filed on June 1, 1989).
- **10.12 Revised Form of IDEX Corporation Stock Option Plan for Outside Directors (incorporated by reference to Exhibit No. 10.22(a) to Post-Effective Amendment No. 4 to the Registration Statement on Form S-1 of IDEX Corporation, et al., Registration No. 33-21205, as filed on March 2, 1990).
- **10.13 Amendment to the IDEX Corporation Stock Option Plan for Outside Directors, adopted by resolution of the Board of Directors dated as of January 28, 1992 (incorporated by reference to Exhibit 10.21(a) of the Annual Report of IDEX on Form 10-K for the fiscal year ended December 31, 1991, Commission File No. 1-10235).
- **10.14 Non-Qualified Stock Option Plan for Non-Officer Key Employees of IDEX Corporation (incorporated by reference to Exhibit 10.15 to the Annual Report of IDEX on Form 10-K for the fiscal year ending December 31, 1992, Commission File No. 1-102351).
- **10.15 Non-Qualified Stock Option Plan for Officers of IDEX Corporation (incorporated by reference to Exhibit 10.16 to the Annual Report of IDEX on Form 10-K for the fiscal year ending December 31, 1992, Commission File No. 1-102351).
- **10.16 IDEX Corporation Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.17 to the Annual Report of IDEX on Form 10-K for the fiscal year ending December 31, 1992, Commission File No. 1-102351).
- 10.17 Stock Purchase Agreement, dated as of May 6, 1994 by and among HPI Acquisition Corp., HFP Partners, L., HMTc Partners L.P., the persons listed on Schedule A and Hale Products, Inc. (incorporated by reference to Exhibit 10.17 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1994, Commission File No. 1-10235).
- *13 1994 Annual Report to Shareholders of IDEX.
- *22 Subsidiaries of IDEX
- *24 Consent of Deloitte & Touche LLP
- *27 Financial Data Schedule

 * Filed herewith.

** Management contract or compensatory plan or arrangement.

SECOND AMENDMENT DATED
AS OF OCTOBER 24, 1994
TO SECOND AMENDED AND RESTATED
CREDIT AGREEMENT DATED AS OF JANUARY 29, 1993

THIS SECOND AMENDMENT, dated as of October 24, 1994, is entered into by and among IDEX CORPORATION, a Delaware corporation (the "Borrower"), the banking institutions (the "Banks") signatory to the hereinafter defined Credit Agreement and BANK OF AMERICA ILLINOIS (f/k/a CONTINENTAL BANK N.A.) ("Bank of America") as agent for the Banks (in such capacity, the "Agent").

RECITALS:

A. The Borrower, the Banks and the Agent have entered into that certain Second Amended and Restated Credit Agreement dated as of January 29, 1993, as amended by that certain First Amendment to Second Amended and Restated Credit Agreement dated as of May 23, 1994 (as such Credit Agreement may hereinafter be amended, supplemented, restated or otherwise modified and in effect from time to time, the "Credit Agreement").

B. Pursuant to that certain Stock Purchase Agreement ("Stock Purchase Agreement") dated as of May 6, 1994 between Hale Products, Inc., a Delaware corporation ("Hale"), and HPI Acquisition Corp. ("HPI"), a Delaware corporation and a wholly-owned subsidiary of the Borrower, HPI purchased all of the issued and outstanding common shares of Hale.

C. Effective on May 26, 1994, HPI merged itself with and into its wholly-owned subsidiary, Hale, and Hale expressly agreed to assume all of the obligations and liabilities of whatsoever nature of HPI.

D. Effective on May 26, 1994, Hale subsequently merged itself with and into its wholly-owned subsidiary, Hale Fire Pump Company, a Pennsylvania corporation ("HFPC"), and HFPC expressly agreed to assume all of the obligations and liabilities of whatsoever nature of Hale.

E. HFPC subsequently changed its name to Hale Products, Inc., a Pennsylvania corporation ("Hale Products, Inc.").

F. Pursuant to Section 7.2.10(d) of the Credit Agreement and the terms of that certain Letter Agreement (the "Waiver Letter") dated as of May 18, 1994 by and among the

Borrower, the Banks and the Agent, the Borrower is required to deliver to the Agent (i) a guaranty executed by Hale Products, Inc. in favor of the Agent for the benefit of the Banks, (ii) stock certificates evidencing all issued and outstanding shares of stock of Hale Products, Inc. along with stock powers therefor executed in blank and (iii) an intercompany note, endorsed in blank by the Borrower, executed by Hale Products, Inc. in favor of the Borrower, evidencing any loan from the Borrower to HPI (the obligations and liabilities for such loan having been subsequently assumed by Hale Products, Inc.) the proceeds of which were applied to the costs and expenses of the acquisition of Hale.

G. The Borrower, the Banks and the Agent wish to amend certain provisions of the Credit Agreement.

H. Therefore, in consideration of the premises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS. Terms defined in the Credit Agreement and not otherwise defined herein shall be used herein as defined in the Credit Agreement.

2. AMENDMENTS TO THE CREDIT AGREEMENT.

2.1 Section 10.1 of the Credit Agreement.

(a) The definition of "Acquired Subsidiaries" is hereby amended to include Hale Products, Inc. and all references in the Credit Agreement to Acquired Subsidiaries shall include a reference to Hale Products, Inc.; provided, however, in Section 6.4, "Acquired Subsidiaries" shall not include Hale Products, Inc. when making representations with respect to the financial statements described in clauses (a)(i) and (a)(ii) and in subsection (b) of such Section.

(b) The definition of "Guaranty Agreement" shall, in addition to the Guaranty Agreement dated January 22, 1988 made by the Acquired Subsidiaries, the Corken Guaranty Agreement dated May 7, 1991, and the PLF Acquisition Guaranty Agreement dated May 4, 1992 (as such term is currently defined in the Credit Agreement), include the Guaranty Agreement made by Hale Products, Inc. in favor of the Agent dated as of October 24, 1994 (which agreement shall be substantially in the form of the Guaranty Agreement attached as Exhibit A hereto) as such agreement may be amended, supplemented, restated or otherwise modified from time to time.

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2.2 Exhibit A to the Credit Agreement. Exhibit A to the Credit Agreement is hereby amended by deleting it in its entirety and inserting in lieu thereof a new Exhibit A, which is attached hereto as Annex I.

2.3 Exhibit I to the Credit Agreement. Item 3 of Exhibit I to the Credit Agreement is hereby amended by adding the following at the end of the chart:

"Hale Products, Inc.	Pennsylvania	100%".
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2.4 References to Continental. The Agreement is hereby amended by deleting all references to Continental Bank N.A., whether as Continental or as a Bank, and inserting references to Bank of America in lieu thereof.

3. WARRANTIES. To induce the Agent and the Banks to enter into this Second Amendment, the Borrower warrants that:

3.1. Authorization. The Borrower is duly authorized to execute and deliver this Second Amendment and to pledge the Hale Shares and the Hale Intercompany Note (as each is hereinafter defined) and is and will continue to be duly authorized to borrow monies under the Credit Agreement, as amended

hereby, and to perform its obligations under the Credit Agreement, as amended hereby.

3.2. No Conflicts. The execution and delivery of this Second Amendment and the performance by the Borrower of its obligations under the Credit Agreement, as amended hereby, do not and will not conflict with any provision of law or of the charter or by-laws of the Borrower or any Subsidiary or of any agreement binding upon the Borrower or any Subsidiary.

3.3. Validity and Binding Effect. The Credit Agreement, as amended hereby, is a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

4. CONDITIONS PRECEDENT TO AMENDMENTS. The amendments contemplated by Section 2 hereof are subject to the satisfaction of each of the following conditions precedent:

4.1. Documentation. The Borrower shall have delivered to the Agent all of the following, each duly executed and dated the date hereof, in form and substance satisfactory to the Agent:

(a) Borrower Resolutions. Copies for each Bank duly certified by the secretary or an assistant secretary of the Borrower, of (i) resolutions of the

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Borrower's Board of Directors authorizing (A) the execution and delivery of this Second Amendment and related documents, (B) the pledge of the Hale Shares and the Hale Intercompany Note and (C) the borrowings under the Credit Agreement, as amended hereby, (ii) all documents evidencing other necessary corporate action, and (iii) all approvals or consents, if any, with respect to this Second Amendment.

(b) Incumbency Certificate. Certificates for each Bank of the secretary or an assistant secretary of the Borrower certifying the names of the Borrower's officers authorized to sign this Second Amendment and all other documents or certificates to be delivered hereunder, together with the true signatures of such officers.

(c) Opinion. An opinion of Latham & Watkins, special counsel to the Borrower, addressed to the Agent and the Banks, in substantially the form of Exhibit B hereto.

(d) Certificate. A certificate of an Authorized Officer of the Borrower as to the matters set out in Sections 4.2 and 4.3 hereof.

(e) Other. Such other documents as the Agent may reasonably request.

4.2. No Default. As of the date hereof, no Default shall have occurred and be continuing.

4.3. Warranties. As of the date hereof, the warranties in Article VI of the Credit Agreement and in Section 3 of this Second Amendment shall be true and correct as though made on such date, except for such changes as are

specifically permitted under the Credit Agreement.

4.4 Hale Intercompany Note. The Borrower agrees that Hale Products, Inc. will issue an amended and restated subsidiary note, such note to be substantially in the form of Exhibit C hereto (the "Hale Intercompany Note"), evidencing the loan made by the Borrower to HPI to consummate the purchase of all of the issued and outstanding common shares of Hale pursuant to the Stock Purchase Agreement (the liabilities and obligations under such loan having been subsequently assumed by Hale Products, Inc.).

4.5 Pledge of Hale Shares and Hale Intercompany Note. Concurrently with the delivery of this Second Amendment, the Borrower will pledge to the Agent (i) all of the outstanding shares (the "Hale Shares") of Hale Products, Inc. held by Borrower and (ii) the Hale Intercompany Note. The Hale Shares shall be "Pledged Subsidiary Shares" under the Senior Pledge Agreement, the Hale Intercompany Note shall be a "Pledged Subsidiary Note" under the Senior Pledge Agreement and the Hale Shares and the Hale Intercompany Note shall be "Pledged Property" under the Senior Pledge Agreement.

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5. GENERAL.

5.1. Expenses. The Borrower agrees to pay the Agent, upon demand, for all reasonable expenses, including reasonable attorneys' and legal assistants' fees incurred by the Agent in connection with the preparation, negotiation and execution of this Second Amendment and any document required to be furnished therewith and the pledge and delivery of the Hale Shares and the Hale Intercompany Note.

5.2. Governing Law. This Second Amendment shall be deemed to be a contract made under and governed by the internal laws of the State of Illinois. For purposes of any action or proceeding involving this Second Amendment, the Borrower hereby expressly submits to the jurisdiction of all federal and state courts located in the State of Illinois and consents that it may be served with any process or paper by registered mail or by personal service within or without the State of Illinois, provided a reasonable time for appearance is allowed.

5.3. Successors. This Second Amendment shall be binding upon the Borrower, the Agent and the Banks and their respective successors and assigns, and shall inure to the benefit of the Borrower, the Agent and the Banks and their successors and assigns.

5.4. Documents Remain in Effect. Except as amended and modified by this Second Amendment, the Credit Agreement and the other Instruments executed pursuant to the Credit Agreement remain in full force and effect and the Borrower hereby ratifies, adopts and confirms its representations, warranties, agreements and covenants contained in, and obligations and liabilities under, the Credit Agreement and the other Instruments executed pursuant to the Credit Agreement.

5.5. References to the Credit Agreement. Upon the effectiveness of this Second Amendment, each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof," or words of like import, and each reference to the Credit Agreement in any and all instruments or documents provided for in the Credit Agreement or delivered or to be delivered thereunder or in connection therewith, shall, except where the context otherwise requires, be deemed a reference to the Credit Agreement, as amended hereby.

5.6. Effective Date. This Second Amendment shall become effective as of the date first written above upon the execution and delivery of counterparts of this Second Amendment by each of the Banks, the Guarantors and the Borrower.

5.7. Counterparts. This Second Amendment may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

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IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed and delivered at Chicago, Illinois by their respective officers thereunto duly authorized as of the date first written above.

IDEX CORPORATION,
a Delaware corporation

By: _____

Name: Wayne P. Sayatovic

Title: Senior Vice President - Finance

PERCENTAGE OF
TOTAL COMMITMENT
22.5%

BANK OF AMERICA ILLINOIS
(f/k/a CONTINENTAL BANK N.A.),
as a Bank and as Agent

By: _____

Name: _____

Title: _____

10.0%

BANK OF SCOTLAND

By: _____

Name: _____

Title: _____

20.0%

NATIONAL CITY BANK

By: _____

Name: _____

Title: _____

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20.0%

PNC BANK, NATIONAL ASSOCIATION
(f/k/a Pittsburgh National Bank)

By: _____

Name: _____

Title: _____

12.5%

UNION BANK

By: _____

Name: _____

Title: _____

15.0%

UNITED STATES NATIONAL BANK OF OREGON

By: _____

Name: _____

Title: _____

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The undersigned hereby acknowledge and consent to this Second Amendment,
and agree that the Guaranty Agreement, as amended, shall remain in full force
and effect and is hereby ratified and confirmed this 24th day of October, 1994.

BAND-IT-IDEX, INC.

VIKING PUMP, INC.

By: _____

By: _____

Name: Wayne P. Sayatovic

Name: Wayne P. Sayatovic

Title: Vice President & Chief
Financial Officer

Title: Vice President & Chief Financial
Officer

VIBRATECH, INC.

WARREN RUPP, INC.

By: _____

By: _____

Name: Wayne P. Sayatovic

Name: Wayne P. Sayatovic

Title: Vice President & Chief
Financial Officer

Title: Vice President & Chief Financial
Officer

LUBRIQUIP, INC.

CORKEN, INC.

By: _____

By: _____

Name: Wayne P. Sayatovic

Name: Wayne P. Sayatovic

Title: Vice President & Chief
Financial Officer

Title: Vice President & Chief Financial
Officer

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STRIPPIT, INC.

PULSAFEEDER, INC.

By: _____

By: _____

Name: Wayne P. Sayatovic

Name: Wayne P. Sayatovic

Title: Vice President & Chief
Financial Officer

Title: Vice President & Chief Financial
Officer

HALE PRODUCTS, INC.,
a Pennsylvania corporation

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial
Officer

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EXHIBIT A

Subsidiary -----	Principal Amount of Intercompany Note -----
Band-It-IDEX, Inc.	\$ 18,411,086
Vibratech, Inc.	\$ 11,506,929
Lubriquip, Inc.	\$ 27,599,999
Strippit, Inc.	\$ 15,342,572
Viking Pump, Inc.	\$ 38,356,430
Warren Rupp, Inc.	\$ 30,685,144
Corken, Inc.	\$ 11,000,000
Pulsafeeder, Inc.	\$ 56,000,000
Hale Products, Inc.	\$ 70,000,000

EXHIBIT A TO SECOND AMENDMENT

FORM OF GUARANTY

THIS GUARANTY AGREEMENT (herein sometimes called this "Guaranty"), dated as of October 24, 1994, is executed by HALE PRODUCTS, INC., a Pennsylvania corporation (herein called "Guarantor"), in favor of BANK OF AMERICA ILLINOIS (f/k/a CONTINENTAL BANK N.A.), as agent (herein called "Agent") for the benefit of all commercial banking institutions (herein called "Banks") as are, or may from time to time become, parties to the Credit Agreement (such and all other capitalized terms being used herein with the meanings set forth in Article I).

W I T N E S S E T H:

WHEREAS, the Guarantor is a Subsidiary of IDEX Corporation, a Delaware corporation (herein called "Borrower");

WHEREAS, Borrower has entered into that certain Second Amended and Restated Credit Agreement, dated as of January 29, 1993 (herein, as amended by the First Amendment to Second Amended and Restated Credit Agreement dated May 23, 1994 and the Second Amendment to Second Amended and Restated Credit Agreement dated the date hereof, and as such agreement may hereinafter be amended, supplemented, restated or otherwise modified from time to time, called the "Credit Agreement"), among Borrower, Agent and the Banks, pursuant to which Borrower has a Total Commitment Amount of \$150,000,000 as of the date hereof, the proceeds of which may be advanced from time to time to the Borrower for the general corporate purposes of the Borrower and its Subsidiaries and Borrower has used such proceeds for the benefit of the Guarantor;

WHEREAS, pursuant to that certain Stock Purchase Agreement dated as of May 6, 1994 between Hale Products, Inc., a Delaware corporation ("Hale") and HPI Acquisition Corp. ("HPI"), a wholly-owned subsidiary of Borrower, HPI purchased the issued and outstanding common shares of Hale;

WHEREAS, Borrower borrowed \$90,000,000 pursuant to the Credit Agreement and lent such funds and/or contributed such funds to HPI;

WHEREAS, HPI used such funds to consummate the purchase of Hale described above;

WHEREAS, effective on May 26, 1994, HPI merged itself with and into its wholly-owned subsidiary, Hale, and Hale expressly agreed to assume all of the obligations and liabilities of whatsoever nature of HPI;

WHEREAS, effective on May 26, 1994, Hale subsequently merged itself with and into its wholly-owned subsidiary, Hale Fire Pump Company, a Pennsylvania corporation ("HFPC"), and HFPC expressly agreed to assume all of the obligations and liabilities of whatsoever nature of Hale;

WHEREAS, HFPC subsequently changed its name to Hale Products, Inc., a

Pennsylvania corporation ("Hale Products, Inc.");

WHEREAS, as a condition to the Banks' consent to the acquisition of the issued and outstanding common shares of Hale and Borrower's obtaining the Loans for such purpose under the Credit Agreement, the Guarantor is required to execute and deliver this Guaranty; and

WHEREAS, the Guarantor has, in consideration of, among other things, receiving such present and future advances, duly authorized the execution, delivery and performance of this Guaranty;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Guarantor hereby agrees as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1. Certain Terms. The following terms (whether or not underscored) when used in this Guaranty shall, except where the context otherwise requires, have the following meanings (such definitions to be equally applicable to the singular and plural forms thereof):

"Agent" shall have the meaning provided in the preamble hereto.

"Banks" shall have the meaning provided in the preamble hereto.

"Borrower" shall have the meaning provided in clause (a) of the first recital hereto.

"Credit Agreement" shall have the meaning provided in clause (b) of the first recital hereto.

"Default" shall mean any Event of Default or event or conditions which, with notice or lapse of time or both, would constitute an Event of Default.

"Event of Default" shall mean any of the events described in Section 8.1 of the Credit Agreement.

"Guarantor" shall have the meaning provided in the preamble hereto.

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"Liabilities" shall have the meaning provided in clause (a) of Section 2.1.

"Note" shall mean each Note executed and delivered pursuant to the Credit Agreement to evidence Loans made thereunder and each other promissory note of Borrower accepted by any Bank in substitution or replacement therefor.

"Obligor" means any person obligated in any way on any Liability.

"Reimbursement Obligation" shall have the meaning provided in Section 4.6 of the Credit Agreement.

SECTION 1.2. Credit Agreement Terms. Terms for which meanings are provided in the Credit Agreement shall, except as otherwise provided herein or as the context may otherwise require, have the same meanings when used in this Guaranty.

ARTICLE II

GUARANTY

SECTION 2.1. Guaranty of Payment. The Guarantor, hereby absolutely, unconditionally and irrevocably

(a) guarantees the full and prompt payment and performance when due, whether by required payment, voluntary prepayment, declaration, acceleration or otherwise, and at all times thereafter of all of the monetary obligations of Borrower under the Credit Agreement (including, without limitation, all Reimbursement Obligations), the Notes and each other Instrument executed and delivered pursuant thereto (herein called the "Liabilities"); and

(b) agrees to reimburse Agent and each Bank for all costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, which Agent or any Bank expends or incurs in collecting or compromising any obligation referred to in clause (a) and in enforcing this Guaranty, whether or not suit is filed, expressly including, without limitation, all costs, expenses, reasonable attorneys' fees and other charges incurred by such Person in connection with any insolvency, bankruptcy, reorganization, liquidation, dissolution, arrangement or other similar proceedings involving the Guarantor which in any way affect the exercise by such Person of its rights, powers, remedies and privileges with respect to this Guaranty or the outstanding principal amount of the Notes.

SECTION 2.2. Obligations Absolute, Unconditional, etc. The Guarantor agrees that its obligations hereunder shall be absolute, unconditional and irrevocable, irrespective of the genuineness, validity, legality or enforceability of the Liabilities, the Notes, the Credit Agreement or any other Instrument executed or to be executed pursuant to the Credit Agreement, or any other Instrument or collateral relating to or securing the payment, performance or observance thereof or any other circumstance which could otherwise

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constitute a legal or equitable discharge of a surety or guarantor, and Agent may, at the direction of a Majority of Banks, proceed to enforce this Guaranty without pursuing or collecting a judgment against any other Person (including, without limitation, the Guarantor), without resorting to or enforcing any other collateral or security and without any other action whatsoever. Neither the Agent nor any Bank shall have any obligation to protect, secure, perfect or insure any collateral security document or property subject thereto at any time held as security for the Liabilities or this Guaranty. The Guarantor hereby absolutely, unconditionally and irrevocably waives and agrees not to assert or take advantage of:

(a) any right to require Agent or any Bank to proceed against Borrower or any other Obligor or any other Person, or to proceed against or exhaust any other security or collateral for the payment, performance or observance of the Liabilities, or to pursue any other remedy whatsoever before proceeding against the Guarantor hereunder;

(b) any defense that may arise by reason of the incapacity, lack of authority, death or disability of any Person, or the failure of Agent or any Bank to file or enforce a claim against any estate (in administration, bankruptcy or any other proceedings) of any Person;

(c) any defense based upon an election of remedies by Agent or any Bank, including, without limitation, an election to proceed by non-judicial rather than judicial foreclosure, which destroys or impairs any right of subrogation of the Guarantor or the right of the Guarantor to proceed against Borrower or any other Person for reimbursement or both;

(d) any other defense of Borrower, or the cessation of the liability of Borrower for any cause whatsoever, with respect to any Liability;

(e) any other defense of any kind, whether now existing or arising hereafter, of the Guarantor to any action, suit or judicial or legal proceeding that may be instituted with respect to this Guaranty;

(f) presentment, demand, protest and notice of any kind, including, without limitation, notice of the creation or non-payment or non-performance of all or any of the Liabilities, notice of dishonor or protest, notice of acceptance by Agent and Banks of this Agreement, notice of the existence, creation or incurrence of any new or additional indebtedness, obligation or other liability, and notice of action or non-action on the part of Agent, any Bank, Borrower or the Guarantor or any other Obligor or other Person in connection with the Liabilities or otherwise; and

(g) any duty on the part of Agent, any Bank or other Person to disclose to the Guarantor any facts or information any such Person may now or hereafter know or possess regarding Borrower, the Liabilities or any other matter whatsoever, regardless of whether such Person has reason to believe that such facts or other

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information may materially increase the risk which the Guarantor intends to assume or has reason to believe that such facts or other information are unknown to the Guarantor or has a reasonable opportunity to communicate such facts or other information, it being understood and agreed that the Guarantor is fully and solely responsible for being and keeping informed of the financial condition of Borrower and of all other circumstances bearing on the risk of non-payment, non-performance or non-observance of any Liability.

This Guaranty shall in all respects be a continuing, absolute, unconditional and irrevocable Guaranty of payment, and shall remain in full force and effect until all Liabilities have been fully paid, and may not be amended, modified or supplemented except in accordance with Section 11.1 of the Credit Agreement. This Guaranty shall continue to be effective, or to be reinstated, as the case may be, if at any time any payment, in whole or in part, of any Liability is rescinded or must otherwise be restored or returned by Agent or any Bank upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Guarantor or Borrower, or upon or as a result of the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to the Guarantor or Borrower or any part of either of its property, or otherwise, all as though such payments had never been made. If any Default shall at any time have occurred and be continuing and acceleration of the Notes shall at any time be prevented by reason of the pendency against Borrower of a case or proceeding under a bankruptcy or insolvency law, the Guarantor agrees that, for purposes of this Guaranty and its obligations hereunder, the maturity of such principal amount shall be deemed to have been accelerated with the same effect as if the holders of the Notes had accelerated the same in accordance with the terms of the Credit Agreement, and the Guarantor shall, to the extent it constitutes Liabilities, forthwith pay such principal amount and interest (if any) thereon and other Liabilities without further notice of demand.

SECTION 2.3. Waiver of All Defenses. Agent may, from time to time, in its sole discretion and without notice to the Guarantor, take any or all of the following actions, all without in any way diminishing, impairing, releasing or affecting the liability or obligations of the Guarantor under or with respect to this Guaranty, and the Guarantor hereby irrevocably consents to any or all

of the following actions by Agent, any Bank or any holder of any Note:

(a) retain or obtain a Security Interest in any property to secure any of the Liabilities or any obligation hereunder;

(b) retain or obtain the primary or secondary obligations of any obligor or obligors, in addition to the Guarantor and the other Obligors, with respect to any of the Liabilities;

(c) extend or renew for one or more periods (whether or not longer than the original period), or alter or exchange, any of the Liabilities, or release or compromise any obligation of the Guarantor hereunder or any obligation of any nature of any other Obligor or any other Person with respect to any of the Liabilities

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or amend or modify in any respect the Credit Agreement or any Instrument executed pursuant thereto;

(d) waive, modify, subordinate, compromise or release its Security Interest in, or surrender, release or permit any substitution or exchange for, all or any part of any property securing any of the Liabilities or any obligation hereunder, or extend or renew for one or more periods (whether or not longer than the original period) or waive, release, subordinate, compromise, modify, alter or exchange any guaranty or other obligations of any nature of any obligor with respect to any such property; and

(e) resort to the Guarantor for payment of any of the Liabilities, whether or not Agent or any Bank shall have resorted to or exhausted any other remedy or any other security or collateral for any obligation hereunder or shall have proceeded against Borrower or any other Obligor or other Person primarily or secondarily obligated with respect to any of the Liabilities.

The Guarantor absolutely, unconditionally and irrevocably agrees that, as long as any Liabilities have not been paid in full, the Guarantor shall not have and shall not enforce any right of subrogation, and the Guarantor waives any right to enforce any remedy which Agent, any Bank or the holder of any Note now has or may hereafter have against Borrower or any other Person hereunder or pursuant hereto or under or pursuant to the Credit Agreement, the Notes or any other Instrument executed or to be executed pursuant hereto or thereto, and any benefit of, and any right to participate in, any security for the Liabilities now or hereafter held by Agent, any Bank or the holder of any Note.

The Guarantor absolutely, unconditionally and irrevocably agrees that the liability of the Guarantor hereunder, and the remedies for the enforcement of such liability, shall in no way be diminished or affected by:

(f) the release or discharge of Borrower or any other Obligor or any other Person responsible for the payment, performance or observance of any Liability in any creditors', receivership, bankruptcy, reorganization, insolvency or other proceeding;

(g) the rejection or disaffirmance in any such proceeding of any Instrument evidencing, securing, or executed in connection with, the Liabilities; or

(h) the impairment, limitation or modification of the Liabilities resulting from the operation of any present or future provision of the federal bankruptcy code or any other statute or law of any kind or from

the decision or order of any court.

The Guarantor absolutely, unconditionally and irrevocably further agrees that:

(i) the creation from time to time of Liabilities, including, without limitation, the making of Loans to Borrower, and the application or allocation of

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amounts received by Agent or any Bank or any other Person to the payment of such Liabilities, and the creation, existence or enforcement from time to time of any security for the Liabilities, and the application and allocation of the proceeds of such security, shall in no way affect or impair the rights, remedies, powers and privileges of Agent or any Bank or the holder of any Note or the obligation of the Guarantor under this Guaranty; and

(j) any amounts received by Agent or any Bank from whatsoever source on account of the Liabilities may be applied by it toward the payment of such of the Liabilities and in such order of application as Agent or such Bank may in its sole discretion determine.

The Guarantor hereby expressly waives notice of the creation of the Liabilities and all diligence in collection or protection of or realization upon the Liabilities or any thereof, any obligation hereunder, or any security for or guaranty of any of the foregoing.

SECTION 2.4. Payment, etc. by the Guarantor. The Guarantor hereby unconditionally covenants and agrees that:

(a) in the event Borrower shall fail duly and punctually to pay any Liability on the date on which such payment is due (whether at scheduled maturity, by acceleration or otherwise); or

(b) upon the occurrence of any other Event of Default;

the Guarantor will, within five Business Days after the receipt of written notice from Agent demanding payment of either the amount of the Liability which Borrower has failed to pay (in the case of a demand arising out of an event described in clause (a)) or up to the entire unpaid amount of the Liabilities (in the case of an event described in clause (b)), pay the entire amount of Liabilities demanded to Agent at its office at 231 South LaSalle Street, Chicago, Illinois 60697, in immediately available funds. If the Guarantor fails to pay any such amount, Agent or any Bank may institute any action or proceeding, and make, obtain and enforce a judgment or final decree, against the Guarantor and collect in the manner provided by law or in equity out of such Guarantor's property, wherever situated, all amounts adjudged or decreed to be payable.

The Guarantor making any payment hereunder shall also be entitled to a right of subrogation in respect of such payment from Borrower; provided, however, that so long as the Liabilities remain outstanding, all rights of the Guarantor against Borrower, by way of right of subrogation or otherwise, shall in all respects, as provided in the second paragraph of Section 2.3, be subordinate and junior in right of payment to the prior satisfaction in full of the Liabilities and no payment in satisfaction of such right of subrogation shall be made by Borrower, or demanded or claimed by the Guarantor, until such prior satisfaction in full of the Liabilities.

SECTION 2.5. Limitation of Guaranty. The Guarantor, and by its acceptance hereof each Bank, hereby confirms that it is the intention of all such parties that the obligations guaranteed under this Guaranty not constitute a fraudulent transfer or obligation (a "Fraudulent Conveyance") for the purposes of the Bankruptcy Law or any similar provisions of Federal or state law. To effectuate the foregoing intention, the Banks hereby irrevocably agree that the obligations guaranteed under this Guarantee shall, with respect to the Guarantor, be automatically reduced by the amount, if any, as is necessary to result in the obligations guaranteed under this Guarantee not constituting a Fraudulent Conveyance.

ARTICLE III

CREDIT AGREEMENT UNDERTAKINGS

SECTION 3.1. Representations and Warranties. The Guarantor hereby represents and warrants to Agent and each Bank as to all matters contained in Article VI of the Credit Agreement insofar as the representations and warranties contained therein are applicable to the Guarantor and its properties, each such representation and warranty set forth in such Article (insofar as applicable as aforesaid) and all other terms of the Credit Agreement to which reference is made therein, together with all related definitions and ancillary provisions, being hereby incorporated into this Guaranty by reference as though specifically set forth in this Section.

SECTION 3.2. Covenants. The Guarantor agrees with Agent and each Bank that, until all Commitments shall have terminated and all Liabilities shall have been paid in full, the Guarantor will perform, comply with and be bound by all of the agreements, covenants and obligations contained in Article VII of the Credit Agreement which are applicable to the Guarantor or its properties, each such agreement, covenant and obligation contained in such Article and all other terms of the Agreement to which reference is made herein, together with all related definitions and ancillary provisions, being hereby incorporated into this Guaranty by reference as though specifically set forth in this Section.

SECTION 3.3. Right of Offset. In addition to, and without limitation of, any other rights of any Bank under any applicable law or otherwise, each Bank or other holder of a Note may, without demand or prior notice of any kind, at any time and from time to time when any amount shall be due and payable by the Guarantor hereunder, appropriate and apply toward the payment of any Liability or any other amount owing to it hereunder any amounts, property, balances, credits, deposit accounts or monies of the Guarantor in the possession or control of such Bank or holder for any purpose. Each Bank making any such application shall promptly advise Borrower thereof, but failure to do so shall not impair the effect of such application.

ARTICLE IV

MISCELLANEOUS

SECTION 4.1. Instrument Pursuant to Credit Agreement. This Guaranty is an Instrument executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof, including, without limitation, Article XI thereof.

SECTION 4.2. Successors and Assigns; Assignment. This Agreement shall be binding upon the Guarantor and its successors and assigns and shall inure to the benefit of and be enforceable by Agent and each Bank and their respective successors and assigns, including, without limitation, any assignee of any Liability; provided, however, that the Guarantor may not assign any of its obligations hereunder without the prior written consent of all Banks. Agent and each Bank may, subject to the provisions of Section 11.12 of the Credit Agreement, from time to time, without notice to the Guarantor assign or transfer any Liability or any interest therein, and, notwithstanding any such transfer or assignment or any subsequent transfer or assignment thereof, such Liabilities shall be and remain Liabilities for purposes of this Agreement, and each and every immediate and successive transferee or assignee of any Liability or any interest therein shall, to the extent of the interest of such transferee or assignee in the Liabilities, be entitled to the benefits of this Guaranty.

SECTION 4.3. Independent Obligations. The obligations of the Guarantor hereunder are independent of the obligations of Borrower, and in the event of any default hereunder, a separate action or actions may be brought, maintained and prosecuted against the Guarantor whether or not Borrower is a party thereto or joined therein or a separate action or actions are brought against Borrower. Agent and any Bank may maintain successive actions upon any default hereunder. The rights of Agent and each Bank shall not be exhausted by its exercise of any of its rights, powers, remedies and privileges hereunder or by any such action or by any number of successive actions until and unless all Liabilities and all obligations of the Guarantor hereunder have been fully paid and performed.

SECTION 4.4. Governing Law. This Guaranty shall be deemed to be a contract made under and governed by the internal laws of the State of Illinois. For purposes of any action or proceeding involving this Guaranty, the Guarantor hereby expressly submits to the jurisdiction of all Federal and State Courts located in the State of Illinois and consents that it may be served with any process or paper by registered mail or by personal service within or without the State of Illinois, provided a reasonable time for appearance is allowed.

SECTION 4.5. Notices. All notices and other communications hereunder to the Guarantor shall be delivered or transmitted to the Guarantor at the address set forth below its signature hereto.

SECTION 4.6. Termination. Subject to the last three sentences of Section 2.2 and to clause (c) of Section 2.3, this Guaranty shall be of no further force or effect upon the

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termination in full of the Commitments and the full payment and performance in full of the Liabilities.

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IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed

and delivered by its authorized officer as of the date first above written.

HALE PRODUCTS, INC.,
a Pennsylvania corporation
(f/k/a Hale Fire Pump Company)

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial Officer

Address: 630 Dundee Road
Suite 400
Northbrook, Illinois 60065

Attention: Wayne P. Sayatovic

Facsimile No.: (312) 498-3940

BANK OF AMERICA ILLINOIS
(f/k/a CONTINENTAL BANK N.A.),
as Agent

By: _____

Name: _____

Title: _____

SECOND AMENDMENT TO INTER-GUARANTOR AGREEMENT

This Second Amendment to the Inter-Guarantor Agreement dated as of October 24, 1994 is by and among IDEX Corporation ("Borrower"), Band-It-IDEX, Inc. (formerly known as Band-It-Houdaille, Inc.), Vibrattech, Inc. (formerly known as Hydraulics-Houdaille, Inc.), Lubriquip, Inc. (formerly known as Lubriquip-Houdaille, Inc.), Strippit, Inc. (formerly known as Strippit-Houdaille, Inc.), Viking Pump, Inc. (formerly known as Viking Pump-Houdaille, Inc.), Warren Rupp, Inc. (formerly known as Warren Rupp-Houdaille, Inc.), Corken, Inc. (formerly known as CIC Acquisition Corp.), Pulsafeeder, Inc. (formerly known as PLF Acquisition Corp.) ("Pulsafeeder") and Hale Products, Inc., a Pennsylvania corporation (formerly known as HPI Acquisition Corp.) ("Hale Products, Inc."), which are collectively Guarantors, as defined in that certain Second Amended and Restated Credit Agreement dated January 29, 1993 by and among Borrower and Continental Bank N.A. (now known as Bank of America Illinois ("Bank of America")), as individual and as agent (in such capacity, the "Agent") on behalf of the banking institution parties thereto (the "Banks"), (as such agreement has been amended by the First Amendment to Second Amended and Restated Credit Agreement dated May 23, 1994 and the Second Amendment to Second Amended and Restated Credit Agreement dated the date hereof, the "Credit Agreement"). All terms not otherwise defined herein have the meanings assigned to them in the Credit Agreement.

WHEREAS, the Guarantors (other than Pulsafeeder and Hale Products, Inc.) (the "Existing Guarantors") are parties to the Inter-Guarantor Agreement dated as of January 22, 1988, as amended by that First Amendment to Inter-Guarantor Agreement dated as of May 7, 1991 (the "Existing Inter-Guarantor Agreement").

WHEREAS, Pulsafeeder and Hale Products, Inc. are wholly-owned subsidiaries of Borrower.

WHEREAS, Pulsafeeder executed that certain Guaranty Agreement in favor of Agent dated as of May 4, 1992.

WHEREAS, pursuant to that certain Stock Purchase Agreement dated as of May 6, 1994 between Hale Products, Inc., a Delaware corporation ("Hale") and HPI Acquisition Corp. ("HPI"), a wholly-owned subsidiary of Borrower, HPI purchased the issued and outstanding common shares of Hale.

WHEREAS, effective May 26, 1994, HPI merged itself with and into its wholly-owned subsidiary, Hale, and Hale expressly agreed to assume all of the obligations and liabilities of whatsoever nature of HPI.

WHEREAS, effective May 26, 1994, Hale subsequently merged itself with and into its wholly-owned subsidiary, Hale Fire Pump Company, a Pennsylvania corporation ("HFPC"), and HFPC expressly agreed to assume all of the obligations and liabilities of whatsoever nature of Hale.

WHEREAS, HFPC subsequently changed its name to Hale Products, Inc., a Pennsylvania corporation ("Hale Products, Inc.").

WHEREAS, pursuant to Section 7.2.10(d) of the Credit Agreement and that certain Waiver Agreement dated as of May 18, 1994 between the Borrower, the Agent and the Banks, the Banks have required in connection with the acquisition of the issued and outstanding common shares of Hale by HPI, that HPI guaranty the Liabilities of the Borrower.

WHEREAS, Hale Products, Inc. assumed the obligations and liabilities of HPI.

WHEREAS, Hale Products, Inc. executed that certain Guaranty Agreement in favor of Agent dated as of October 24, 1994.

WHEREAS, Pulsafeeder and Hale Products, Inc. desire to be parties to the Existing Inter-Guarantor Agreement and the Existing Guarantors desire to include Pulsafeeder and Hale Products, Inc. as parties thereto.

NOW, THEREFORE the parties agree to amend the Existing Inter-Guarantor Agreement as follows:

1. Pulsafeeder and Hale Products, Inc. agree to be bound by the terms and conditions set forth under the Existing Inter-Guarantor Agreement as if they were original signatories thereto and the Existing Guarantors agree that Pulsafeeder and Hale Products, Inc. shall have the rights and benefits of a "Guarantor" under the Existing Inter-Guarantor Agreement and shall be deemed to be a "Guarantor" under the Existing Inter-Guarantor Agreement as amended hereby.

2. In furtherance, of the foregoing, the definition of "Guaranty" in the Existing Inter-Guarantor Agreement is hereby amended to include (i) the Guaranty Agreement dated May 4, 1992 made by Pulsafeeder in favor of Agent and (ii) the Guaranty Agreement dated as of October 24, 1994 made by Hale Products, Inc. in favor of the Agent.

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized as of the date first-above written.

BAND-IT-IDEX, INC.,

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial Officer

VIBRATECH, INC.

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial Officer

LUBRIQUIP, INC.

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial Officer

STRIPPIT, INC.

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial Officer

VIKING PUMP, INC.

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial Officer

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WARREN RUPP, INC.

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial Officer

CORKEN, INC.

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial Officer

PULSAFEEDER, INC.

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial Officer

HALE PRODUCTS, INC.,
a Pennsylvania corporation

By: _____

Name: Wayne P. Sayatovic

Title: Vice President & Chief Financial Officer

IDEX CORPORATION

By: _____

Name: Wayne P. Sayatovic

Title: Senior Vice President - Finance

SECOND AMENDMENT
TO
DONALD N. BOYCE EMPLOYMENT AGREEMENT

HODGSON, RUSS, ANDREWS, WOODS & GOODYEAR
1800 ONE M & T PLAZA
BUFFALO, NY 14203-2391

SECOND AMENDMENT
TO
EMPLOYMENT AGREEMENT

THIS AMENDMENT ("Amendment"), made as of the 27th day of September, 1994, between IDEX CORPORATION, a Delaware corporation with its executive offices at 630 Dundee Road, Suite 400, Northbrook, Illinois 60062 ("IDEX" or the "Corporation"), and DONALD N. BOYCE, an individual residing at 1251 N. Sheridan Road, Lake Forest, Illinois 60045 (the "Executive"), is the second amendment to the Employment Agreement, dated as of January 22, 1988, between IDEX and the Executive, as amended by the First Amendment to Employment Agreement, dated January 13, 1993 (the "Employment Agreement").

IDEX and the Executive agree as follows:

1. Introductory Statement. The Executive has served as an Executive of IDEX since its establishment. IDEX desires to continue the full-time services of the Executive on the terms and conditions provided in the Employment Agreement, subject to the amendments set forth in this Amendment. The Executive is willing to execute this Amendment with respect to his employment upon the terms and conditions set forth in this Amendment. This Amendment changes only the provisions of the Employment Agreement set forth in this Amendment. In all other respects, the Employment Agreement shall remain in effect as previously written and executed.

2. Period of full-time service. (a) The second sentence of the third paragraph of Subsection 5(a) of the Employment Agreement is replaced in its entirety as follows:

"Such bonus shall be calculated in accordance with the provisions of Section 4(b), but shall not be less than the bonus calculated in accordance with the management incentive compensation program of the Corporation in effect from time to time and in no event less than the full target amount for the Executive for such fiscal year under such program."

3. Guarantee of pension benefits. (a) The text following subparagraph (iv) in the first full paragraph of Subsection 5(c)(2) of the Employment Agreement is replaced in its entirety as follows:

"or (v) for purposes of determining eligibility for a lump sum distribution, any condition under the Plan considered necessary to receive a lump sum distribution, such as the submission of medical evidence of reasonable health of the Participant or the meeting of a specified age or service requirement (in other words the lump sum distribution shall be an

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election solely in the discretion of the Executive); or (vi) any other restriction on the Executive's benefits as determined under the Plan pursuant to the Code, to the Employee Retirement Income Security Act of 1974, as in effect at such point in time ("ERISA") or to any other law affecting the determination of such benefits. However, except as specifically described otherwise in the preceding sentence, all calculations pursuant to this Section 5(c)(2) of benefits shall be made on the basis of the actual years of service to the Corporation, including any Affiliated Corporation and Company as defined under the Plan, and actual compensation of the Executive taken into account under the applicable Plan provisions. To the extent that the benefits to which the Executive or his beneficiaries are entitled under this Section 5(c)(2) are not paid from the Trust under the Plan or from the IDEX Corporation Supplemental Executive Retirement Plan, the Corporation shall pay such benefits directly from its general assets."

(b) The text of the last full paragraph of Subsection 5(c)(2) of the Employment Agreement is replaced in its entirety as follows:

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"If payments are being made or have been made in full, pursuant to this Section 5(c)(2), but the Executive or any of his beneficiaries is required to make a payment to the Trustee under the Plan (whether in the form of a loss of collateral, interest on such collateral or otherwise) as the result of the application of the restrictions in the Plan upon payments to the Executive, as described in Section 1.401(a)(4)-5(b) of the Treasury Regulations, or by virtue of the termination of the Plan (including the operation of Section 4045 of ERISA or any successor section) or for any other reason, the Corporation shall reimburse the Executive or his beneficiaries, as the case may be, directly from its general assets, for each such payment to the Trustee, and if the Executive or any of his beneficiaries does not receive a deduction for federal, state and/or local income tax purposes for such a payment and/or if such payment would result in the imposition of any penalty tax because of such repayment, then the amount of such reimbursement shall be increased by an amount such that after payment by the Executive or his beneficiaries of all taxes, including, without limitation, any interest or penalties imposed with respect to such reimbursement, the Executive or his beneficiaries retain an amount

from the Corporation approximately equal to the amount repaid to the Trustee."

(c) A new full paragraph is added to the end of Subsection 5(c)(2) of the Employment Agreement to read in its entirety as follows:

"In the event (I) the Executive requests a lump sum distribution from the Trustee or Committee under the Plan and is denied the request, regardless of the reason for the denial, or (II) (i) if the Plan is amended to eliminate the lump sum distribution option on future benefit accruals or (ii) the Executive is not otherwise entitled to a lump sum distribution under the Plan terms and, in the case of (i) or (ii), the Executive states in writing to the Corporation at any time prior to the Executive or his beneficiaries receiving a benefit under the Plan that he otherwise would have requested the lump sum distribution option, the Corporation shall pay the Executive, or his beneficiaries, as the case may be, in cash in a single lump sum benefit, an amount equal to the benefit hereinbefore determined less any amount received by the Executive or his beneficiaries from the Plan directly

or indirectly in a single payment, regardless of the form of payment in which the benefit is being paid or is to be paid under the Plan. In the case of a benefit provided under this paragraph, the Corporation shall pay the Executive or his beneficiaries an additional amount in cash in a single lump sum payment such that after payment by the Executive or his beneficiaries of all federal, state, and/or local income taxes (including, without limitation, any interest or penalties imposed with respect to such taxes) imposed upon such single lump sum payment, the Executive or his beneficiaries retain an amount that would have been retained by him or them (without regard to any limitations as described in the first paragraph of this Section 5(c)(2)) had he or they directly rolled the amount from the Plan into an individual retirement account. If the Executive or his beneficiaries receive the single lump sum payment from the Corporation under this paragraph, the Executive and his beneficiaries agree to waive and/or return to the Corporation all benefits to him or them that he or they subsequently receive from the Plan. Notwithstanding the preceding sentence, if the Executive or any of his beneficiaries does not receive a deduction for federal, state and/or local income tax purposes for such benefits and/or if such

benefits would result in the imposition of any penalty tax because of such repayment, then the amount of such waiver and/or return to the Corporation shall be decreased by an amount such that after payment by the Executive or his beneficiaries of all taxes, including, without limitation, any interest or penalties imposed with respect to

such waiver and/or return, the Executive or his beneficiaries incur no net expense from such benefits he or they subsequently receive from the Plan. For purposes of this Section, beneficiaries means the beneficiaries as determined under the Plan."

4. Supplemental retirement compensation. Paragraph (v) of Subsection 5(c)(3) of the Employment Agreement is replaced in its entirety as follows:

"(v) Notwithstanding any provision in this Section 5(c)(3) to the contrary, if payments under Section 5(c)(3)(ii) or Section 5(c)(3)(iii) above commence prior to the Executive commencing his 60th year, the payments under Section 5(c)(3)(ii) or Section 5(c)(3)(iii) shall be appropriately adjusted so that the present value of benefit payments at date of commencement is equivalent to the present value of the benefits as if benefit payments commenced upon the Executive commencing his

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60th year using the interest rate that would be used (as of the date of payment) by the Pension Benefit Guaranty Corporation for purposes of valuing a lump sum distribution upon a plan termination on the January 1 of the calendar year in which payments actually commence under Section 5(c)(3)(ii) or 5(c)(3)(iii), and the mortality assumptions of the Unisex Pension 1984 Mortality Table."

5. Medical benefits. Subsection 5(c)(4) of the Employment Agreement is replaced in its entirety as follows:

"5(c)(4). MEDICAL BENEFITS. The Executive shall be entitled to prompt reimbursement for all medical, dental, hospitalization, convalescent, nursing, extended care facilities and similar health and welfare expenses incurred by the Executive (or by his wife in the event of the Executive's death) for the Executive or for the benefit of his wife or other dependents. Such benefits shall continue for the life of the Executive or the life of his wife (in the event of the Executive's death), whichever shall be the longer time. The Corporation may, in its discretion, insure such benefits; provided, however, that such benefits shall not be affected by the existence or non-existence of

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any available insurance from any source, shall not be limited by the terms of any such insurance or the failure of any insurer to meet its obligations thereunder, shall not limit the Executive or his beneficiaries in the choice of any physician, medical care facility or type of medical expenses in any way, and shall not be affected by the availability of any medical benefits provided by and available to the Executive from any subsequent employer. For purposes of this Agreement, the term "medical expenses" shall include, but not be limited to, prescription drugs, prosthetics, optical care (including

corrective lenses) and travel and lodging associated with medical expenses."

6. Termination of this Agreement. The third and fourth sentences of Section 7 of the Employment Agreement are replaced in their entirety as follows:

"In the event the Executive, or his beneficiaries, as the case may be, and the Corporation shall disagree as to their respective rights and obligations under this Agreement, and the Executive or his beneficiaries are successful in establishing, privately or otherwise, that his or their position is substantially correct, or

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that the Corporation's position is substantially wrong or unreasonable, or in the event that the disagreement is resolved by settlement, the Corporation shall pay all costs and expenses, including counsel fees, which the Executive or his beneficiaries may incur in connection therewith. The Corporation shall not delay or reduce the amount of any payment provided for hereunder or setoff or counterclaim against any such amount for any reason whatever; it is the intention of the Corporation and the Executive that the amounts payable to the Executive or his beneficiaries hereunder shall continue to be paid in all events in the manner and at the times herein provided."

7. Rights in event of change in management or control. The text following subparagraph (II) in the first full paragraph of Subsection 8(a) of the Employment Agreement is replaced in its entirety as follows:

"the Executive or, in the event of his death or inability to act, his wife or, if not surviving, his eldest surviving child, shall have the right, in his or her sole option, upon receipt of prior written notice of the Acquisition from the Corporation, which such

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notice the Corporation is hereby required to provide, prior to the Acquisition to elect to receive on the consummation of the Acquisition, or for a period of 24 months after the Acquisition to elect to receive on the date of resignation of the Executive or other date designated by the Executive, or other beneficiary as the case may be, in either case within such 24-month period, a lump sum settlement of any one or more of the economic obligations of the Corporation to the Executive or other beneficiary under this Agreement or any other agreement, plan, policy or program of the Corporation. Such election may be withdrawn by the Executive or other beneficiary with respect to any one or more of such obligations at any time prior to receipt of payment by the Executive or other beneficiary from the Corporation. Any lump sum payment shall be actuarially computed by the Corporation in good faith on an equitable basis based on the prevailing economic circumstances at the time of such election and shall include an assumption regarding future cost of living increases based upon the

average of the monthly CPI for the five (5) calendar years immediately preceding the date of election. Any lump sum pension guarantee under Section 5(c)(2) shall be determined using the interest rate that would be used

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(as of the date of payment) by the Pension Benefit Guaranty Corporation for purposes of valuing a lump sum distribution upon a plan termination on the January 1 of the calendar year in which the single sum is paid and the mortality assumptions of the Unisex Pension 1984 Mortality Table. For purposes of this paragraph, the term "control" shall have the meaning ascribed thereto under the Securities Exchange Act of 1934, as amended, and the regulations thereunder, and the term "management" shall mean the chief executive officer of the Corporation. For purposes of clause (I)(ii) above or as appropriate for purposes of clause (II) above, the Corporation shall be deemed to include on a consolidated basis all subsidiaries and other affiliated corporations or other entities with the same effect as if they were divisions."

8. Assurances on liquidation. Subsection 8(b) of the Employment Agreement is replaced in its entirety as follows:

"8(b). ASSURANCES ON LIQUIDATION. The Corporation agrees that until the termination of this Agreement as above provided, it will not voluntarily liquidate or dissolve, or enter into or be a party to any other transaction the effect of which would be to

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materially reduce the net assets or operations of the Corporation, without first making a written agreement with the Executive or other beneficiary, satisfactory to and approved by him or such beneficiary in writing within 30 days of receipt of a notice from the Corporation of such proposed liquidation, dissolution or other transaction, in fulfillment of or in lieu of its obligations to him or such beneficiary under this Agreement or any other agreement, plan, policy or program of the Corporation or, in the absence of such agreement, paying him or such beneficiary in a lump sum settlement of all such obligations prior to such proposed liquidation, dissolution or other transaction. Notwithstanding anything in the preceding sentence to the contrary, in the event that pursuant to the preceding sentence the Corporation is obligated to pay to the Executive or such beneficiary in a lump sum settlement all of the obligations of the Corporation to the Executive or such beneficiary under this Agreement or any other agreement, plan, policy or program of the Corporation, the Executive or, in the event of his death or inability to act, his wife or, if not surviving, his eldest surviving child, shall have the right, in his or her sole discretion, to elect not to receive a lump sum settlement of the obligations of the

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Corporation to the Executive or other beneficiary under Section 5(c)(4) of this Agreement and, in lieu thereof, to receive a guaranty (including, without limitation, a letter of credit), in form and substance satisfactory to the Executive or other beneficiary, as the case may be, in his or her sole discretion, of the payment of such obligations from any entity satisfactory to the Executive or other beneficiary, in his or her sole discretion. Any lump sum settlement shall be actuarially computed by the Corporation in good faith on an equitable basis based on the prevailing economic circumstances at the time of such payment and shall include an assumption regarding future cost of living increases based upon the average of the monthly CPI for the five (5) calendar years immediately preceding the date of such proposed liquidation, dissolution or other transaction. In addition to disclosing to the Executive or other beneficiary the amount of such lump sum settlement, the Corporation shall disclose to the Executive or other beneficiary all of the assumptions used to calculate such lump sum settlement. Any lump sum pension guarantee under Section 5(c)(2) shall be determined using the interest rate that would be used (as of the date of payment) by the Pension Benefit Guaranty Corporation for purposes of valuing a lump sum

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distribution upon a plan termination on the January 1 of the calendar year in which the single sum is paid and the mortality assumptions of the Unisex Pension 1984 Mortality Table. For purposes of this Subsection, the Corporation shall be deemed to include on a consolidated basis all subsidiaries and other affiliated corporations or other entities with the same effect as if they were divisions."

9. Binding effect. The second sentence of Section 13 is replaced in its entirety as follows:

"In addition to inuring to the benefit of the Executive, Sections 5(a) and 5(b)(1) and 5(c)(3)(i) and (ii) are intended to inure to the benefit of the Executive's beneficiaries, Section 5(c)(2) is intended to inure to the benefit of the Executive's beneficiaries, to the extent contemplated in that provision, and Section 5(c)(4) is intended to inure to the benefit of the Executive's wife and his dependents, Section 5(c)(3)(ii) and (iii) is intended to inure to the benefit of the Executive's wife, to the extent of any election under Section 5(c)(3)(iv), and Section 7 and Section 9 are intended to inure to the benefit of the Executive's beneficiaries."

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10. Additional payments by the Corporation. In Subsection 9(a) of the Employment Agreement the words "any and all equity appreciation rights

plans of the Corporation" are replaced in their entirety by: "the Non-Qualified Stock Option Plan for Officers of the Corporation."

IN WITNESS WHEREOF, the Executive has hereunto set his hand and the Corporation has caused this Amendment to be executed in its name and on its behalf as of the date first above written.

/s/ Donald N. Boyce

Donald N. Boyce

IDEX CORPORATION

By /s/ Wayne P. Sayatovic

Wayne P. Sayatovic
Senior Vice President of Finances &
Chief Financial Officer

DATE OF EXECUTION: October 25, 1994

The undersigned hereby executes this Amendment to evidence her agreement to be bound by the terms of Subsection 5(c)(2) of the Employment Agreement.

/s/ Jeris Boyce

Jeris Boyce

DATE OF EXECUTION: October 25, 1994

SECOND AMENDMENT
TO
WAYNE P. SAYATOVIC EMPLOYMENT AGREEMENT

HODGSON, RUSS, ANDREWS, WOODS & GOODYEAR
1800 ONE M & T PLAZA
BUFFALO, NY 14203-2391

SECOND AMENDMENT
TO
EMPLOYMENT AGREEMENT

THIS AMENDMENT ("Amendment"), made as of the 27th day of September, 1994, between IDEX CORPORATION, a Delaware corporation with its executive offices at 630 Dundee Road, Suite 400, Northbrook, Illinois 60062 ("IDEX" or the "Corporation"), and WAYNE P. SAYATOVIC, an individual residing at 91 Mallard Lane, Lake Forest, Illinois 60045 (the "Executive"), is the second amendment to the Employment Agreement, dated as of January 22, 1988, between IDEX and the Executive, as amended by the First Amendment to Employment Agreement, dated January 13, 1993 (the "Employment Agreement").

IDEX and the Executive agree as follows:

1. Introductory Statement. The Executive has served as an Executive of IDEX since its establishment. IDEX desires to continue the full-time services of the Executive on the terms and conditions provided in the Employment Agreement, subject to the amendments set forth in this Amendment. The Executive is willing to execute this Amendment with respect to his employment upon the terms and conditions set forth in this Amendment. This Amendment changes only the provisions of the Employment Agreement set forth in this Amendment. In all other respects, the Employment Agreement shall remain in effect as previously written and executed.

2. Agreement of employment. The text of the second paragraph of Section 2 of the Employment Agreement is replaced in its entirety as follows:

"The Corporation shall not require the Executive to perform

services hereunder away from the Chicago, Illinois area of such frequency and duration as would necessitate, in the reasonable judgment of the Executive, the Executive moving his residence from the Chicago, Illinois area. Following an Acquisition (as hereinafter defined), the Corporation shall not, in the reasonable judgment of the Executive, (a) significantly reduce the scope of the duties of the Executive hereunder or (b) significantly reduce the total potential compensation of the Executive hereunder. If the Executive determines in accordance with the preceding sentences that (a) the services required by the Corporation necessitate that the Executive move his residence from the Chicago, Illinois area, (b) the duties of the Executive hereunder have been significantly reduced or (c) the total potential compensation of the Executive hereunder has been significantly reduced, the Executive, in his sole discretion, may deem that the Corporation has

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terminated his services and shall so notify the Corporation in writing, in which case the Corporation shall be deemed to have terminated the services of the Executive for all purposes of this Agreement as of the date specified by the Executive in his notice to the Corporation."

3. Period of full-time service. (a) A new sentence is added at the end of the second paragraph of Subsection 5(a) of the Employment Agreement to read in its entirety as follows:

"In the event of the Executive's death, the balance of the continuing salary payments shall be made to his wife, if surviving, or if not, to his estate in addition to any and all other benefits payable under this Agreement upon his death."

(b) The second sentence of the fourth paragraph of Subsection 5(a) of the Employment Agreement is replaced in its entirety as follows:

"Such bonus shall be calculated in accordance with the management incentive compensation program of the Corporation in effect from time to time and

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shall in no event be less than the full target amount for the Executive for such fiscal year."

4. Guarantee of pension benefits. (a) The text following subparagraph (iv) in the first full paragraph of Subsection 5(c)(2) of the Employment Agreement is replaced in its entirety as follows:

"or (v) for purposes of determining eligibility for a lump sum distribution, any condition under the Plan considered necessary to receive a lump sum distribution, such as the submission of medical evidence of reasonable health of the Participant or the meeting of a specified age or service requirement (in other words the lump sum distribution shall be an election solely in the discretion of the Executive); or (vi) any other restriction on the Executive's benefits as determined under the Plan pursuant to the Code, to the Employee Retirement Income Security Act of 1974, as in effect at such point in time ("ERISA") or to any other law affecting the determination of such benefits. However, except as specifically described otherwise in the preceding sentence, all calculations pursuant to this Section 5(c)(2) of benefits shall be made on the basis of the actual years of service to the Corporation,

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including any Affiliated Corporation and Company as defined under the Plan, and actual compensation of the Executive taken into account under the applicable Plan provisions. To the extent that the benefits to which the Executive or his beneficiaries are entitled under this Section 5(c)(2) are not paid from the Trust under the Plan or from the IDEX Corporation Supplemental Executive Retirement Plan, the Corporation shall pay such benefits directly from its general assets."

(b) The text of the last full paragraph of Subsection 5(c)(2) of the Employment Agreement is replaced in its entirety as follows:

"If payments are being made or have been made in full, pursuant to this Section 5(c)(2), but the Executive or any of his beneficiaries is required to make a payment to the Trustee under the Plan (whether in the form of a loss of collateral, interest on such collateral or otherwise) as the result of the application of the restrictions in the Plan upon payments to the Executive, as described in Section 1.401(a)(4)-5(b) of the Treasury Regulations, or by virtue of the termination of the Plan (including the operation of Section 4045 of ERISA or any successor section) or for

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any other reason, the Corporation shall reimburse the Executive or his beneficiaries, as the case may be, directly from its general assets, for each such payment to the Trustee, and if the Executive or any of his beneficiaries does not receive a deduction for federal, state and/or local income tax purposes for such a payment and/or if such payment would result in the imposition of any penalty tax because of such repayment, then the amount of such reimbursement shall be increased by an amount such that after payment by the Executive or his beneficiaries of all taxes, including, without limitation, any interest or penalties imposed with respect to such reimbursement, the Executive or his beneficiaries retain an amount from the

Corporation approximately equal to the amount repaid to the Trustee."

(c) A new full paragraph is added to the end of Subsection 5(c)(2) of the Employment Agreement to read in its entirety as follows:

"In the event (I) the Executive requests a lump sum distribution from the Trustee or Committee under the Plan and is denied the request, regardless of the reason for the denial, or (II) (i) if the Plan is

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amended to eliminate the lump sum distribution option on future benefit accruals or (ii) the Executive is not otherwise entitled to a lump sum distribution under the Plan terms and, in the case of (i) or (ii), the Executive states in writing to the Corporation at any time prior to the Executive or his beneficiaries receiving a benefit under the Plan that he otherwise would have requested the lump sum distribution option, the Corporation shall pay the Executive, or his beneficiaries, as the case may be, in cash in a single lump sum benefit, an amount equal to the benefit hereinbefore determined less any amount received by the Executive or his beneficiaries from the Plan directly or indirectly in a single payment, regardless of the form of payment in which the benefit is being paid or is to be paid under the Plan. In the case of a benefit provided under this paragraph, the Corporation shall pay the Executive or his beneficiaries an additional amount in cash in a single lump sum payment such that after payment by the Executive or his beneficiaries of all federal, state, and/or local income taxes (including, without limitation, any interest or penalties imposed with respect to such taxes) imposed upon such single lump sum payment, the Executive or his beneficiaries retain an amount that would have been

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retained by him or them (without regard to any limitations as described in the first paragraph of this Section 5(c)(2)) had he or they directly rolled the amount from the Plan into an individual retirement account. If the Executive or his beneficiaries receive the single lump sum payment from the Corporation under this paragraph, the Executive and his beneficiaries agree to waive and/or return to the Corporation all benefits to him or them that he or they subsequently receive from the Plan. Notwithstanding the preceding sentence, if the Executive or any of his beneficiaries does not receive a deduction for federal, state and/or local income tax purposes for such benefits and/or if such benefits would result in the imposition of any penalty tax because of such repayment, then the amount of such waiver and/or return to the Corporation shall be decreased by an amount such that after payment by the Executive or his beneficiaries of all taxes, including, without limitation, any interest or penalties imposed with respect to such waiver and/or return, the Executive or his beneficiaries incur no net expense from such benefits he or they subsequently receive from the Plan. For purposes of this Section, beneficiaries means the beneficiaries as determined under the Plan."

5. Medical benefits. Subsection 5(c)(3) of the Employment Agreement is replaced in its entirety as follows:

"5(c)(3). MEDICAL BENEFITS. The Executive and/or his wife, as the case may be, shall be entitled to prompt reimbursement for all medical, dental, hospitalization, convalescent, nursing, extended care facilities and similar health and welfare expenses incurred by the Executive (or by his wife in the event of the Executive's death or disability) for the Executive or for the benefit of his wife or other dependents. Such benefits shall continue at all times while the Executive is employed by the Corporation, and thereafter for the remainder of his life or the life of his wife, whichever shall be the longer time, if (a) the Executive continues in the employ of the corporation until the commencement of his 60th year or (b) the Executive prior to the commencement of his 60th year dies or becomes disabled while employed by the Corporation or (c) the Executive is terminated at any time following an Acquisition. The Corporation may, in its discretion, insure such benefits; provided, however, that such benefits shall not be affected by the existence or non-existence of any available insurance from any source, shall not be limited by the

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terms of any such insurance or the failure of any insurer to meet its obligations thereunder, shall not limit the Executive or his beneficiaries in the choice of any physician, medical care facility or type of medical expenses in any way, and, except as provided in the following sentence, shall not be affected by the availability of any medical benefits provided by and available to the Executive from any subsequent employer. If the Executive leaves the service of the Corporation prior to attaining age 55 as the result of his termination by the Corporation at any time following an Acquisition, such benefits shall be reduced until the Executive attains age 55 to the extent of any medical benefits provided by and available to the Executive from any subsequent employer without cost to the Executive or subject to full reimbursement of any such cost by the Corporation to the Executive but shall not be limited by the terms of any such insurance or reimbursement. For purposes of this Agreement, the term "medical expenses" shall include, but not be limited to, prescription drugs, prosthetics, optical care (including corrective lenses) and travel and lodging associated with medical expenses."

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6. Termination. Section 7 of the Employment Agreement is amended to read in its entirety as follows:

"7. TERMINATION OF THIS AGREEMENT. This Agreement shall terminate when the Corporation has made the last payment provided for hereunder; provided, however, that the obligations set forth under Section 5(d) of this Agreement shall survive any such termination and shall remain in full force and effect. Without the written consent of the Executive, the Corporation shall have no right to terminate this Agreement prior thereto. In the event the Executive, or his beneficiaries, as the case may be, and the Corporation shall disagree as to their respective rights and obligations under this Agreement, and the Executive or his beneficiaries are successful in establishing, privately or otherwise, that his or their position is substantially correct, or that the Corporation's position is substantially wrong or unreasonable, or in the event that the disagreement is resolved by settlement, the Corporation shall pay all costs and expenses, including counsel fees, which the Executive or his beneficiaries may incur in connection therewith. The Corporation shall not delay or reduce the amount of any payment provided for hereunder or setoff or

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counterclaim against any such amount for any reason whatever; it is the intention of the Corporation and the Executive that the amounts payable to the Executive or his beneficiaries hereunder shall continue to be paid in all events in the manner and at the times herein provided. All payments made by the Corporation hereunder shall be final and the Corporation shall not seek to recover all or any part of any such payments for any reason whatsoever."

7. Additional payments by the Corporation. In Subsection 8(a) of the Employment Agreement the words "any and all equity appreciation rights plans of the Corporation" are replaced in their entirety by: "the Non-Qualified Stock Option Plan for Officers of the Corporation".

8. Assurances on liquidation. A new Section 9 is added to the Employment Agreement to read in its entirety as follows:

"9. ASSURANCES ON LIQUIDATION. The Corporation agrees that until the termination of this Agreement as above provided, it will not voluntarily liquidate or dissolve, or enter into or be a party to any other transaction the effect of which would be to materially

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reduce the net assets or operations of the Corporation, without first making a written agreement with the Executive or other beneficiary, satisfactory to and approved by him or such beneficiary in writing within 30 days of receipt of a notice

from the Corporation of such proposed liquidation, dissolution or other transaction, in fulfillment of or in lieu of its obligations to him or such beneficiary under this Agreement or any other agreement, plan, policy or program of the Corporation or, in the absence of such agreement, paying him or such beneficiary in a lump sum settlement of all such obligations prior to such proposed liquidation, dissolution or other transaction. Notwithstanding anything in the preceding sentence to the contrary, in the event that pursuant to the preceding sentence the Corporation is obligated to pay to the Executive or such beneficiary in a lump sum settlement all of the obligations of the Corporation to the Executive or such beneficiary under this Agreement or any other agreement, plan, policy or program of the Corporation, the Executive or, in the event of his death or inability to act, his wife or, if not surviving, his eldest surviving child, shall have the right, in his or her sole discretion, to elect not to receive a lump sum settlement of the obligations of the

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Corporation to the Executive or other beneficiary under Section 5(c)(3) of this Agreement and, in lieu thereof, to receive a guaranty (including, without limitation, a letter of credit), in form and substance satisfactory to the Executive or other beneficiary, as the case may be, in his or her sole discretion, of the payment of such obligations from any entity satisfactory to the Executive or other beneficiary, as the case may be, in his or her sole discretion. Any lump sum settlement shall be determined using the interest rate that would be used (as of the date of payment) by the Pension Benefit Guaranty Corporation for purposes of valuing a lump sum distribution upon a plan termination on the January 1 of the calendar year in which the single sum is paid and the mortality assumptions of the Unisex Pension 1984 Mortality Table. For purposes of this Subsection, the Corporation shall be deemed to include on a consolidated basis all subsidiaries and other affiliated corporations or other entities with the same effect as if they were divisions."

9. Binding effect. The second sentence of Section 12, which shall be renumbered by this Amendment as Section 13, of the Employment Agreement is replaced in its entirety as follows:

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"In addition to inuring to the benefit of the Executive, Sections 5(a) and 5(b) are intended to inure to the benefit of the Executive's beneficiaries, Section 5(c)(2) is intended to inure to the benefit of the Executive's beneficiaries, to the extent contemplated in that provision, Section 5(c)(3) is intended to inure to the benefit of the Executive's wife and his dependents, and Section 7 and Section 8 are intended to inure to the benefit of the Executive's beneficiaries; such provisions shall be enforceable by the aforesaid beneficiaries, wife and/or dependents, as the case may be, who upon the Executive's death shall be deemed successors in interest."

10. Renumbering of Sections. Sections 9, 10, 11, 12, 13, 14, 15 and 16 of the Employment Agreement are renumbered as Sections 10, 11, 12, 13, 14, 15, 16 and 17, respectively, of the Employment Agreement.

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IN WITNESS WHEREOF, the Executive has hereunto set his hand and the Corporation has caused this Amendment to be executed in its name and on its behalf as of the date first above written.

/s/ Wayne P. Sayatovic

Wayne P. Sayatovic

DATE OF EXECUTION: October 25, 1994

IDEX CORPORATION

BY /s/ Donald N. Boyce

Donald N. Boyce, President

DATE OF EXECUTION: October 25, 1994

The undersigned hereby executes this Amendment to evidence her agreement to be bound by the terms of Subsection 5(c)(2) of the Employment Agreement.

/s/ Janice Z. Sayatovic

Janice Z. Sayatovic

DATE OF EXECUTION: October 31, 1994

FIRST AMENDMENT
TO
FRANK J. HANSEN EMPLOYMENT AGREEMENT

HODGSON, RUSS, ANDREWS, WOODS & GOODYEAR
1800 ONE M & T PLAZA
BUFFALO, NY 14203-2391

FIRST AMENDMENT
TO
EMPLOYMENT AGREEMENT

THIS AMENDMENT ("Amendment"), made as of the 27th day of September, 1994, between IDEX CORPORATION, a Delaware corporation with its executive offices at 630 Dundee Road, Suite 400, Northbrook, Illinois 60062 ("IDEX" or the "Corporation"), and FRANK J. HANSEN, an individual residing at 1716 Mulberry Drive, Libertyville, Illinois 60048 (the "Executive"), is the first amendment to the Employment Agreement, dated as of August 1, 1994, between IDEX and the Executive (the "Employment Agreement").

IDEX and the Executive agree as follows:

1. Introductory Statement. The Executive has served as an Executive of IDEX. IDEX desires to continue the full-time services of the Executive on the terms and conditions provided in the Employment Agreement, subject to the amendments set forth in this Amendment. The Executive is willing to execute this Amendment with respect to his employment upon the terms and conditions set forth in this Amendment. This Amendment changes only the provisions of the Employment Agreement set forth in this Amendment. In all other respects, the Employment Agreement shall remain in effect as previously written and executed.

2. Agreement of employment. The text of the second paragraph of Section 2 of the Employment Agreement is replaced in its entirety as follows:

"The Corporation shall not require the Executive to perform services

hereunder away from the Chicago, Illinois area of such frequency and duration as would necessitate, in the reasonable judgment of the Executive, the Executive moving his residence from the Chicago, Illinois area. Following an Acquisition (as hereinafter defined), the Corporation shall not, in the reasonable judgment of the Executive, (a) significantly reduce the scope of the duties of the Executive hereunder or (b) significantly reduce the total potential compensation of the Executive hereunder. If the Executive determines in accordance with the preceding sentences that (a) the services required by the Corporation necessitate that the Executive move his residence from the Chicago, Illinois area, (b) the duties of the Executive hereunder have been significantly reduced or (c) the total potential compensation of the Executive hereunder has been significantly reduced, the Executive, in his sole discretion, may deem that the Corporation has terminated his services and shall so notify the

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Corporation in writing, in which case the Corporation shall be deemed to have terminated the services of the Executive for all purposes of this Agreement as of the date specified by the Executive in his notice to the Corporation."

3. Period of full-time service. (a) A new sentence is added at the end of the second paragraph of Subsection 5(a) of the Employment Agreement to read in its entirety as follows:

"In the event of the Executive's death, the balance of the continuing salary payments shall be made to his wife, if surviving, or if not, to his estate in addition to any and all other benefits payable under this Agreement upon his death."

(b) The second sentence of the fourth paragraph of Subsection 5(a) of the Employment Agreement is replaced in its entirety as follows:

"Such bonus shall be calculated in accordance with the management incentive compensation program of the Corporation in effect from time to time and shall in no event be less than the full target amount for the Executive for such fiscal year."

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4. Guarantee of pension benefits. (a) The text following subparagraph (iv) in the first full paragraph of Subsection 5(c)(2) of the Employment Agreement is replaced in its entirety as follows:

"or (v) for purposes of determining eligibility for a lump sum distribution, any condition under the Plan considered necessary to receive a lump sum distribution, such as the submission of medical evidence of reasonable health of the Participant or the meeting of a specified age or service requirement (in other words the lump sum distribution shall be an election solely in the discretion of the Executive); or (vi) any other restriction on the Executive's benefits as determined under the Plan pursuant to the Code, to the Employee Retirement Income Security Act of 1974, as in effect at such point in time ("ERISA") or to any other law affecting the determination of such benefits. However, except as specifically described otherwise in the preceding sentence, all calculations pursuant to this Section 5(c)(2) of benefits shall be made on the basis of the actual years of service to the Corporation, including any Affiliated Corporation and Company as defined under the Plan, and actual compensation of the Executive taken into account under the applicable Plan

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provisions. To the extent that the benefits to which the Executive or his beneficiaries are entitled under this Section 5(c)(2) are not paid from the Trust under the Plan or from the IDEX Corporation Supplemental Executive Retirement Plan, the Corporation shall pay such benefits directly from its general assets."

(b) The text of the last full paragraph of Subsection 5(c)(2) of the Employment Agreement is replaced in its entirety as follows:

"If payments are being made or have been made in full, pursuant to this Section 5(c)(2), but the Executive or any of his beneficiaries is required to make a payment to the Trustee under the Plan (whether in the form of a loss of collateral, interest on such collateral or otherwise) as the result of the application of the restrictions in the Plan upon payments to the Executive, as described in Section 1.401(a)(4)-5(b) of the Treasury Regulations, or by virtue of the termination of the Plan (including the operation of Section 4045 of ERISA or any successor section) or for any other reason, the Corporation shall reimburse the Executive or his beneficiaries, as the case may be, directly from its general assets, for each such payment

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to the Trustee, and if the Executive or any of his beneficiaries does not receive a deduction for federal, state and/or local income tax purposes for such a payment and/or if such payment would result in the imposition of any penalty tax because of such repayment, then the amount of such reimbursement shall be increased by an amount such that after payment by the Executive or his beneficiaries of all taxes, including, without limitation, any interest or penalties imposed with respect to such reimbursement, the Executive or his beneficiaries retain an amount from the Corporation approximately equal to the amount repaid to the Trustee."

(c) A new full paragraph is added to the end of Subsection 5(c)(2) of the Employment Agreement to read in its entirety as follows:

"In the event (I) the Executive requests a lump sum distribution from the Trustee or Committee under the Plan and is denied the request, regardless of the reason for the denial, or (II) (i) if the Plan is amended to eliminate the lump sum distribution option on future benefit accruals or (ii) the Executive is not otherwise entitled to a lump sum distribution under the

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Plan terms and, in the case of (i) or (ii), the Executive states in writing to the Corporation at any time prior to the Executive or his beneficiaries receiving a benefit under the Plan that he otherwise would have requested the lump sum distribution option, the Corporation shall pay the Executive, or his beneficiaries, as the case may be, in cash in a single lump sum benefit, an amount equal to the benefit hereinbefore determined less any amount received by the Executive or his beneficiaries from the Plan directly or indirectly in a single payment, regardless of the form of payment in which the benefit is being paid or is to be paid under the Plan. In the case of a benefit provided under this paragraph, the Corporation shall pay the Executive or his beneficiaries an additional amount in cash in a single lump sum payment such that after payment by the Executive or his beneficiaries of all federal, state, and/or local income taxes (including, without limitation, any interest or penalties imposed with respect to such taxes) imposed upon such single lump sum payment, the Executive or his beneficiaries retain an amount that would have been retained by him or them (without regard to any limitations as described in the first paragraph of this Section 5(c)(2)) had he or they directly rolled the amount

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from the Plan into an individual retirement account. If the Executive or his beneficiaries receive the single lump sum payment from the Corporation under this paragraph, the Executive and his beneficiaries agree to waive and/or return to the Corporation all benefits to him or them that he or they subsequently receive from the Plan. Notwithstanding the preceding sentence, if the Executive or any of his beneficiaries does not receive a deduction for federal, state and/or local income tax purposes for such benefits and/or if such benefits would result in the imposition of any penalty tax because of such repayment, then the amount of such waiver and/or return to the Corporation shall be decreased by an amount such that after payment by the Executive or his beneficiaries of all taxes, including, without limitation, any interest or penalties imposed with respect to such waiver and/or return, the Executive or his beneficiaries incur no net expense from such benefits he or they subsequently receive from the Plan. For purposes of this Section, beneficiaries means the

beneficiaries as determined under the Plan."

5. Medical benefits. Subsection 5(c)(3) of the Employment Agreement is replaced in its entirety as follows:

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"5(c)(3). MEDICAL BENEFITS. The Executive and/or his wife, as the case may be, shall be entitled to prompt reimbursement for all medical, dental, hospitalization, convalescent, nursing, extended care facilities and similar health and welfare expenses incurred by the Executive (or by his wife in the event of the Executive's death or disability) for the Executive or for the benefit of his wife or other dependents. Such benefits shall continue at all times while the Executive is employed by the Corporation, and thereafter for the remainder of his life or the life of his wife, whichever shall be the longer time, if (a) the Executive continues in the employ of the corporation until the commencement of his 60th year or (b) the Executive prior to the commencement of his 60th year dies or becomes disabled while employed by the Corporation or (c) the Executive is terminated at any time following an Acquisition. The Corporation may, in its discretion, insure such benefits; provided, however, that such benefits shall not be affected by the existence or non-existence of any available insurance from any source, shall not be limited by the terms of any such insurance or the failure of any insurer to meet its obligations thereunder, shall not limit the Executive or his beneficiaries in the choice

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of any physician, medical care facility or type of medical expenses in any way, and, except as provided in the following sentence, shall not be affected by the availability of any medical benefits provided by and available to the Executive from any subsequent employer. If the Executive leaves the service of the Corporation prior to attaining age 55 as the result of his termination by the Corporation at any time following an Acquisition, such benefits shall be reduced until the Executive attains age 55 to the extent of any medical benefits provided by and available to the Executive from any subsequent employer without cost to the Executive or subject to full reimbursement of any such cost by the Corporation to the Executive but shall not be limited by the terms of any such insurance or reimbursement. For purposes of this Agreement, the term "medical expenses" shall include, but not be limited to, prescription drugs, prosthetics, optical care (including corrective lenses) and travel and lodging associated with medical expenses."

6. Termination. Section 7 of the Employment Agreement is amended to read in its entirety as follows:

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"7. TERMINATION OF THIS AGREEMENT. This Agreement shall terminate when the Corporation has made the last payment provided for hereunder; provided, however, that the obligations set forth under Section 5(d) of this Agreement shall survive any such termination and shall remain in full force and effect. Without the written consent of the Executive, the Corporation shall have no right to terminate this Agreement prior thereto. In the event the Executive, or his beneficiaries, as the case may be, and the Corporation shall disagree as to their respective rights and obligations under this Agreement, and the Executive or his beneficiaries are successful in establishing, privately or otherwise, that his or their position is substantially correct, or that the Corporation's position is substantially wrong or unreasonable, or in the event that the disagreement is resolved by settlement, the Corporation shall pay all costs and expenses, including counsel fees, which the Executive or his beneficiaries may incur in connection therewith. The Corporation shall not delay or reduce the amount of any payment provided for hereunder or setoff or counterclaim against any such amount for any reason whatever; it is the intention of the Corporation and the Executive that the amounts payable to the Executive

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or his beneficiaries hereunder shall continue to be paid in all events in the manner and at the times herein provided. All payments made by the Corporation hereunder shall be final and the Corporation shall not seek to recover all or any part of any such payments for any reason whatsoever."

7. Additional payments by the Corporation. In Subsection 8(a) of the Employment Agreement the words "any and all equity appreciation rights plans of the Corporation" are replaced in their entirety by: "the Non-Qualified Stock Option Plan for Officers of the Corporation".

8. Assurances on liquidation. A new Section 9 is added to the Employment Agreement to read in its entirety as follows:

"9. ASSURANCES ON LIQUIDATION. The Corporation agrees that until the termination of this Agreement as above provided, it will not voluntarily liquidate or dissolve, or enter into or be a party to any other transaction the effect of which would be to materially reduce the net assets or operations of the Corporation, without first making a written agreement with the Executive or other beneficiary, satisfactory to and

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approved by him or such beneficiary in writing within 30 days of receipt of a notice from the Corporation of such proposed liquidation, dissolution or other transaction, in fulfillment of or in lieu of its obligations to him or such beneficiary under this Agreement or any other agreement, plan, policy or program of the Corporation or, in the absence of such agreement, paying him or such beneficiary in a lump sum settlement of all such obligations prior to such proposed liquidation, dissolution or other transaction.

Notwithstanding anything in the preceding sentence to the contrary, in the event that pursuant to the preceding sentence the Corporation is obligated to pay to the Executive or such beneficiary in a lump sum settlement all of the obligations of the Corporation to the Executive or such beneficiary under this Agreement or any other agreement, plan, policy or program of the Corporation, the Executive or, in the event of his death or inability to act, his wife or, if not surviving, his eldest surviving child, shall have the right, in his or her sole discretion, to elect not to receive a lump sum settlement of the obligations of the Corporation to the Executive or other beneficiary under Section 5(c) (3) of this Agreement and, in lieu thereof, to receive a guaranty (including, without limitation, a

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letter of credit), in form and substance satisfactory to the Executive or other beneficiary, as the case may be, in his or her sole discretion, of the payment of such obligations from any entity satisfactory to the Executive or other beneficiary, as the case may be, in his or her sole discretion. Any lump sum settlement shall be determined using the interest rate that would be used (as of the date of payment) by the Pension Benefit Guaranty Corporation for purposes of valuing a lump sum distribution upon a plan termination on the January 1 of the calendar year in which the single sum is paid and the mortality assumptions of the Unisex Pension 1984 Mortality Table. For purposes of this Subsection, the Corporation shall be deemed to include on a consolidated basis all subsidiaries and other affiliated corporations or other entities with the same effect as if they were divisions."

9. Binding effect. The second sentence of Section 12, which shall be renumbered by this Amendment as Section 13, of the Employment Agreement is replaced in its entirety as follows:

"In addition to inuring to the benefit of the Executive, Sections 5(a) and 5(b) are intended to inure to the benefit of the Executive's beneficiaries, Section 5(c) (2)

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is intended to inure to the benefit of the Executive's beneficiaries, to the extent contemplated in that provision, Section 5(c) (3) is intended to inure to the benefit of the Executive's wife and his dependents, and Section 7 and Section 8 are intended to inure to the benefit of the Executive's beneficiaries such provisions shall be enforceable by the aforesaid beneficiaries, wife and/or dependents, as the case may be, who upon the Executive's death shall be deemed successors in interest."

10. Renumbering of Sections. Sections 9, 10, 11, 12, 13, 14, 15 and 16 of the Employment Agreement are renumbered as Sections 10, 11, 12, 13, 14, 15, 16 and 17, respectively, of the Employment Agreement.

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IN WITNESS WHEREOF, the Executive has hereunto set his hand and the Corporation has caused this Amendment to be executed in its name and on its behalf as of the date first above written.

/s/ Frank J. Hansen

Frank J. Hansen

DATE OF EXECUTION: October 25, 1994

IDEX CORPORATION

BY /s/ Donald N. Boyce

Donald N. Boyce, President

DATE OF EXECUTION: October 25, 1994

The undersigned hereby executes this Amendment to evidence her agreement to be bound by the terms of Subsection 5(c)(2) of the Employment Agreement.

/s/ Kathryn F. Hansen

Kathryn Hansen

DATE OF EXECUTION: October 25, 1994

EMPLOYMENT AGREEMENT
BETWEEN
IDEX CORPORATION
AND
JERRY N. DERCK

HODGSON, RUSS, ANDREWS, WOODS & GOODYEAR
1800 ONE M & T PLAZA
BUFFALO, N.Y. 14203

EMPLOYMENT AGREEMENT

THIS AGREEMENT, made as of the 27th day of September, 1994, between IDEX CORPORATION, a Delaware corporation with its executive offices at 630 Dundee Road, Suite 400, Northbrook, Illinois 60062 ("IDEX"), and JERRY N. DERCK, an individual residing at 408 Burdick Street, Libertyville, Illinois 60048 (the "Executive").

IDEX and the Executive agree as follows:

1. INTRODUCTORY STATEMENT. The Executive is willing to execute this Agreement with respect to his employment upon the terms and conditions set forth in this Agreement.

2. AGREEMENT OF EMPLOYMENT. IDEX agrees to, and hereby does, employ the Executive, and the Executive agrees to, and hereby does accept, employment by IDEX, or one of its subsidiaries, as the case may be (hereafter in the aggregate, the "Corporation"), as an executive of the Corporation, subject to the provisions of the by-laws by the Corporation in respect of the duties and responsibilities assigned from time to time by the Chief Executive Officer of the Corporation and subject also at all times to the control of the Board of Directors of the Corporation.

The Corporation shall not require the Executive to perform services hereunder away from the Chicago, Illinois area of such frequency and duration as would necessitate, in the reasonable judgment of the Executive, the Executive moving his residence from the Chicago, Illinois area. Following an Acquisition (as hereinafter defined), the Corporation shall not, in the reasonable judgment of the Executive, (a) significantly reduce the scope of the duties of the Executive hereunder or (b) significantly reduce the total potential compensation of the Executive hereunder. If the Executive determines in accordance with the preceding sentences that (a) the services required by

the Corporation necessitate that the Executive move his residence from the Chicago, Illinois area, (b) the duties of the Executive hereunder have been significantly reduced or (c) the total potential compensation of the Executive hereunder has been significantly reduced, the Executive, in his sole discretion, may deem that the Corporation has terminated his services and shall so notify the Corporation in writing, in which case the Corporation shall be deemed to have terminated the services of the Executive for all purposes of this Agreement as of the date specified by the Executive in his notice to the Corporation.

3. EXECUTIVE'S OBLIGATIONS: VACATIONS, AUTOMOBILE. During the period of his full-time service under this Agreement, the Executive shall devote substantially all of his time and energies during business hours to the supervision and conduct,

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faithfully and to the best of his ability, of the business and affairs of the Corporation, and to the furtherance of its interests, and shall not accept other gainful employment except with the prior consent of the Chief Executive Officer of the Corporation. With the approval of the Chief Executive Officer of the Corporation, however, the Executive may become a director, trustee or other fiduciary of other corporations, trusts or entities. The Executive may take four weeks vacation each year with pay. The Corporation shall furnish and maintain an automobile for the use of the Executive consistent with the policy of the Corporation in effect at any time.

4. ANNUAL SALARY. The Corporation shall pay to the Executive for his services under this Agreement a salary at the rate of \$142,000 per year, in equal monthly installments, during the period of his full-time service hereunder; provided, however, that the Corporation shall in good faith review the salary of the Executive, on an annual basis, with a view to consideration of appropriate increases in such salary. If the Executive dies during the period of his full-time service hereunder, service for any part of the month of his death shall be considered service for the entire month.

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5. PERIOD OF SERVICE AND BENEFITS.

5(a). PERIOD OF FULL-TIME SERVICE. The period of full-time service of the Executive under this Agreement shall continue to the third anniversary of the Effective Date, and for successive 12 month periods thereafter; provided, however, that the Corporation may terminate at any time the full-time service of the Executive hereunder by delivering written notice of termination to the Executive, or the Executive may resign and terminate his full-time service hereunder at any time after the third anniversary of the Effective Date, by delivering written notice of his intention to resign to the Corporation at least 3 months prior to the effective date of such resignation.

In the event of termination of the Executive by the Corporation, the Executive shall be entitled to receive his full annual salary and fringe benefits in effect on the date of receipt of the notice of termination for a continuing period of 24 months beginning with that month next following the month during which he ceases to be actively employed. In the event of the

Executive's death, the balance of the continuing salary payments shall be made to his wife, if surviving, or if not, to his estate in addition to any and all other benefits payable under this Agreement upon his death.

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In the event of resignation by the Executive as permitted by this Agreement, the Executive shall be entitled to receive his full annual salary and fringe benefits in effect on the date of receipt of the notice of resignation for a continuing period to the effective date of his resignation but not longer than three months. Continuing fringe benefits under this Section 5(a) shall be reduced to the extent of any fringe benefits provided by and available to the Executive from any subsequent employer but shall not be limited by the terms of any such fringe benefit of a subsequent employer.

In the event of termination of the Executive by the Corporation or the Executive's death or disability, the Executive or his estate shall receive a cash bonus for the entire fiscal year in which such termination or death occurs or disability commences. Such bonus shall be calculated in accordance with the management incentive compensation program of the Corporation in effect from time to time and shall in no event be less than the full target amount for the Executive for such fiscal year. The bonus shall be payable in one lump sum in accordance with and at the time prescribed by the Corporation's policy for payment of annual bonuses to its executive employees for the year in which the Executive's termination or death occurs or his disability commences. If no policy of the Corporation exists with regard to calculation and payment of bonuses, the bonus shall be calculated

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and paid in accordance with the policy of Houdaille Industries, Inc. in effect as of January 22, 1988.

In addition, in the event of either termination (including, without limitation, because of the Executive's death or disability) of employment or resignation, the Executive shall receive payment for accrued but unused vacation, which payment shall be equitably prorated based on the period of active employment for that portion of the fiscal year in which the termination or resignation becomes effective, death occurs, or disability commences, plus payment for accrued but unused vacation for the prior fiscal year. Payment for accrued but unused vacation shall be payable in one lump sum on the effective date of termination or resignation, the date of death (or as soon thereafter as practicable) or the date disability commences.

In the event of termination of the Executive by the Corporation within 24 months following an "Acquisition" of the Corporation (as hereinafter defined), the benefits to be provided to the Executive and his beneficiaries upon such termination, regardless of the continued effectiveness of this Agreement or of the provisions of this Section 5(a), shall be in an amount and character not less generous than the benefits payable upon a termination of the Executive by the Corporation as set forth in this Section 5(a). An "Acquisition" means (I) any transaction or series of transactions which within a 12-month period constitute

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a change of management or control where (i) at least 51 percent of the then outstanding common shares of the Corporation are (for cash, property (including, without limitation, stock in any corporation), or indebtedness, or any combination thereof), redeemed by the Corporation or purchased by any person(s), firm(s) or entities), or exchanged for shares in any other corporation whether or not affiliated with the Corporation, or any combination of such redemption, purchase or exchange, or (ii) at least 51 percent of the Corporation's assets are purchased by any person(s), firm(s) or entities) whether or not affiliated with the Corporation for cash, property (including, without limitation, stock in any corporation) or indebtedness or any combination thereof, or (iii) the Corporation is merged or consolidated with another corporation regardless of whether the Corporation is the survivor, or (II) any substantial equivalent of any such redemption, purchase, exchange, change, transaction or series of transactions, merger or consolidation, constituting such change of management or control. For purposes of this paragraph, the term "control" shall have the meaning ascribed thereto under the Securities Exchange Act of 1934, as amended, and the regulations thereunder, and the term "management" shall mean the chief executive officer of the Corporation. For purposes of clause (I)(ii) above or as appropriate for purposes of clause (II) above, the Corporation shall be deemed to include on a consolidated basis all subsidiaries and other affiliated

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corporations or other entities with the same effect as if they were divisions.

The benefits provided for under this section shall be in lieu of, and not in addition to, any and all benefits to which the Executive and his beneficiaries may be entitled under any bonus or severance program or policy adopted by the Corporation from time to time unless otherwise expressly stated therein.

5(b). DEATH BENEFIT. If the Executive dies during the period of his full-time service hereunder, his wife, if surviving, or if not, his estate shall be entitled to receive his full annual salary in effect on the date of his death for a continuing period of nine months commencing on the first day of the month immediately following the date of his death.

5(c)(1). RETIREMENT COMPENSATION AND OBLIGATIONS. Upon the retirement or resignation of the Executive or upon his termination from full-time service with the Corporation, in either case pursuant to the provisions of this Section 5 hereof, the full-time service obligations of the Executive and the Corporation to each other under Sections 2, 3 and 4 hereof shall cease, and the Executive shall be entitled to receive benefits and compensation as specified in this Section 5 hereof.

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5(c)(2). GUARANTEE OF PENSION BENEFITS. In addition to the compensation otherwise provided herein, the Executive and his beneficiaries shall be entitled to receive the retirement and death benefits they would receive at the times and under such optional arrangements as the Executive is entitled to under the terms of any retirement or pension plan adopted and implemented by the Corporation for its employees in effect at the date of the Executive's retirement, resignation or termination (for whatever reason) from full-time service with the Corporation (the "Plan") (such Plan shall include a lump sum option) pursuant to the Plan provisions as in effect at the point in time during the Executive's employment at which the Plan would provide the

greatest benefits for the Executive and his beneficiaries and, in addition, the greatest latitude in choice of options (including, but not limited to, a lump sum option), but in any event computed without reference to (i) any restrictions in the Plan upon payments to the Executive, as described in Section 1.401(a)(4)-5(b) of the Treasury Regulations; (ii) any restrictions in the Plan upon the maximum contributions to the Plan or upon the maximum benefits payable under the Plan, as the case may be, pursuant to Section 415 of the Internal Revenue Code of 1986, as in effect at such point in time (the "Code"); (iii) any limitations on the amount of the Executive's compensation that may be taken into account under the Plan pursuant to Section 401(a)(17) of the Code or any successor section; (iv) the limitations on compensation that would exclude any income

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attributable to the exercise of the nonqualified stock options granted in replacement of Equity Appreciation Rights granted under the First Restatement of the Amended and Restated 1988 Equity Appreciation Rights Plan; (v) for purposes of determining eligibility for a lump sum distribution, any condition under the Plan considered necessary to receive a lump sum distribution, such as the submission of medical evidence of reasonable health of the Participant or the meeting of a specified age or service requirement (in other words the lump sum distribution shall be an election solely in the discretion of the Executive); (vi) any forfeiture resulting from an insufficient number of Years of Vesting Service to be entitled to a fully nonforfeitable benefit; or (vii) any other restriction on the Executive's benefits as determined under the Plan pursuant to the Code, to the Employee Retirement Income Security Act of 1974, as in effect at such point in time ("ERISA") or to any other law affecting the determination of such benefits. However, except as specifically described otherwise in the preceding sentence, all calculations pursuant to this Section 5(c)(2) of benefits shall be made on the basis of the actual years of service to the Corporation, including any Affiliated Corporation and Company as defined under the Plan, and actual compensation of the Executive taken into account under the applicable Plan provisions. To the extent that the benefits to which the Executive or his beneficiaries are entitled under this Section 5(c)(2) are not paid from the Trust under the Plan or from the IDEX Corporation Supplemental Executive Retirement Plan, the

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Corporation shall pay such benefits directly from its general assets.

If payments are being made, pursuant to this Section 5(c)(2), in the form of an annuity or other periodic form of distribution, and the portion of the total amount to be paid from the Trust under the Plan shall thereafter be reduced after the date such payments have been determined pursuant to the preceding paragraph, by virtue of the operation of restrictions in the Plan upon payments to the Executive, as described in Section 1.401(a)(4)-5(b) of the Treasury Regulations, or by virtue of the termination of the Plan (including the operation of Section 4045 of ERISA or any successor section) or for any other reason other than the operation of the provisions of the optional form selected under the Plan, the Corporation shall increase, in an amount equal to any such reduction, the amount of the benefit under this Section 5(c)(2) which is to be paid directly from its general assets, and such increase shall be prorated over the remaining payments or used to recalculate the annuity payments, as the case may be.

If payments are being made or have been made in full, pursuant to this Section 5(c)(2), but the Executive or any of his beneficiaries is required to make a payment to the Trustee under the Plan (whether in the form of a loss of

collateral, interest on such collateral or otherwise) as the result of the application

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of the restrictions in the Plan upon payments to the Executive, as described in Section 1.401(a)(4)-5(b) of the Treasury Regulations, or by virtue of the termination of the Plan (including the operation of Section 4045 of ERISA or any successor section) or for any other reason, the Corporation shall reimburse the Executive or his beneficiaries, as the case may be, directly from its general assets, for each such payment to the Trustee, and if the Executive or any of his beneficiaries does not receive a deduction for federal, state and/or local income tax purposes for such a payment and/or if such payment would result in the imposition of any penalty tax because of such repayment, then the amount of such reimbursement shall be increased by an amount such that after payment by the Executive or his beneficiaries of all taxes, including, without limitation, any interest or penalties imposed with respect to such reimbursement, the Executive or his beneficiaries retain an amount from the Corporation approximately equal to the amount repaid to the Trustee.

In the event (I) the Executive requests a lump sum distribution from the Trustee or Committee under the Plan and is denied the request, regardless of the reason for the denial, or (II) (i) if the Plan is amended to eliminate the lump sum distribution option on future benefit accruals or (ii) the Executive is not otherwise entitled to a lump sum distribution under the Plan terms and, in the case of (i) or (ii), the

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Executive states in writing to the Corporation at any time prior to the Executive or his beneficiaries receiving a benefit under the Plan that he otherwise would have requested the lump sum distribution option, the Corporation shall pay the Executive, or his beneficiaries, as the case may be, in cash in a single lump sum benefit, an amount equal to the benefit hereinbefore determined less any amount received by the Executive or his beneficiaries from the Plan directly or indirectly in a single payment, regardless of the form of payment in which the benefit is being paid or is to be paid under the Plan. In the case of a benefit provided under this paragraph, the Corporation shall pay the Executive or his beneficiaries an additional amount in cash in a single lump sum payment such that after payment by the Executive or his beneficiaries of all federal, state, and/or local income taxes (including, without limitation, any interest or penalties imposed with respect to such taxes) imposed upon such single lump sum payment, the Executive or his beneficiaries retain an amount that would have been retained by him or them (without regard to any limitations as described in the first paragraph of this Section 5(c)(2)) had he or they directly rolled the amount from the Plan into an individual retirement account. If the Executive or his beneficiaries receive the single lump sum payment from the Corporation under this paragraph, the Executive and his beneficiaries agree to waive and/or return to the Corporation all benefits to him or them that he or they subsequently receive from the Plan. Notwithstanding the

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preceding sentence, if the Executive or any of his beneficiaries does not receive a deduction for federal, state and/or local income tax purposes for such benefits and/or if such benefits would result in the imposition of any penalty tax because of such repayment, then the amount of such waiver and/or return to the Corporation shall be decreased by an amount such that after payment by the Executive or his beneficiaries of all taxes, including, without limitation, any interest or penalties imposed with respect to such waiver and/or return, the Executive or his beneficiaries incur no net expense from such benefits he or they subsequently receive from the Plan. For purposes of

this Section, beneficiaries means the beneficiaries as determined under the Plan.

5(c)(3). MEDICAL BENEFITS. The Executive and/or his wife, as the case may be, shall be entitled to prompt reimbursement for all medical, dental, hospitalization, convalescent, nursing, extended care facilities and similar health and welfare expenses incurred by the Executive (or by his wife in the event of the Executive's death or disability) for the Executive or for the benefit of his wife or other dependents. Such benefits shall continue at all times while the Executive is employed by the Corporation, and thereafter for the remainder of his life or the life of his wife, whichever shall be the longer time, if (a) the Executive continues in the employ of the Corporation until the commencement of his 60th year or (b) the

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Executive prior to the commencement of his 60th year dies or becomes disabled while employed by the Corporation or (c) the executive is terminated at any time following an Acquisition. The Corporation may, in its discretion, insure such benefits; provided, however, that such benefits shall not be affected by the existence or non-existence of any available insurance from any source, shall not be limited by the terms of any such insurance or the failure of any insurer to meet its obligations thereunder, shall not limit the Executive or his beneficiaries in the choice of any physician, medical care facility or type of medical expenses in any way, and, except as provided in the following sentence, shall not be affected by the availability of any medical benefits provided by and available to the Executive from any subsequent employer. If the Executive leaves the service of the Corporation prior to attaining age 55 as the result of his termination by the Corporation at any time following an Acquisition, such benefits shall be reduced until the Executive attains age 55 to the extent of any medical benefits provided by and available to the Executive from any subsequent employer without cost to the Executive or subject to full reimbursement of any such cost by the Corporation to the Executive but shall not be limited by the terms of any such insurance or reimbursement. For purposes of this Agreement, the term "medical expenses" shall include, but not be limited to, prescription drugs, prosthetics, optical care (including

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corrective lenses) and travel and lodging associated with medical expenses.

5(d). CONFIDENTIALITY AGREEMENT. During the course of his employment, the Executive has had and will have access to confidential information relating to the lines of business of the Corporation, its trade secrets, marketing techniques, technical and cost data, information concerning customers and suppliers, information relating to product lines, and other valuable and confidential information relating to the business operations of the Corporation not generally available to the public (the "Confidential Information"). The parties hereby acknowledge that any unauthorized disclosure or misuse of the Confidential Information could cause irreparable damage to the Corporation. The parties also agree that covenants by the Executive not to make unauthorized use or disclosures of the Confidential Information are essential to the growth and stability of the business of the Corporation. Accordingly, the Executive agrees to the confidentiality covenants set forth in this section.

The Executive agrees that, except as required by his duties with the Corporation or as authorized by the Corporation in writing, he will not use or disclose to anyone at any time, regardless of whether before or after the

Executive ceases to be employed by the Corporation, any of the Confidential information

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obtained by him in the course of his employment with the Corporation.

The Executive agrees that since irreparable damage could result from his breach of the covenants in this Section 5(d) of this Agreement, in addition to any and all other remedies available to the Corporation, the Corporation shall have the remedies of a restraining order, injunction or other equitable relief to enforce the provisions thereof. The Employee consents to jurisdiction in Lake County, Illinois on the date of the commencement of any action for purposes of any claims under this Section 5(d). In addition, the Executive agrees that the issues in any action brought under this section will be limited to claims under this section, and all other claims or counterclaims under other provisions of this Agreement will be excluded.

6. COMPENSATION UNDER THIS AGREEMENT NOT EXCLUSIVE. Except as expressly stated to the contrary in this Agreement, the compensation and benefits payable by the Corporation to the Executive under the provisions of this Agreement shall be in addition to and separate and apart from such additional compensation or incentives and such retirement, disability or other benefits as the Executive may be entitled to under any present or future extra compensation or bonus plan, stock option plan, share purchase agreement, pension plan, disability insurance plan, medical insurance plan, life insurance program, or other plan or

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arrangement of the Corporation established for its executives or employees, and the provisions of this Agreement shall not affect any such compensation, incentives or benefits. The Board of Directors of the Corporation, in its discretion, may award the Executive such additional compensation, incentives or benefits, pursuant to such plans or otherwise, as it may from time to time determine.

7. TERMINATION OF THIS AGREEMENT. This Agreement shall terminate when the Corporation has made the last payment provided for hereunder; provided, however, that the obligations set forth under Section 5(d) of this Agreement shall survive any such termination and shall remain in full force and effect. Without the written consent of the Executive, the Corporation shall have no right to terminate this Agreement prior thereto. In the event the Executive, or his beneficiaries, as the case may be, and the Corporation shall disagree as to their respective rights and obligations under this Agreement, and the Executive or his beneficiaries are successful in establishing, privately or otherwise, that his or their position is substantially correct, or that the Corporation's position is substantially wrong or unreasonable, or in the event that the disagreement is resolved by settlement, the Corporation shall pay all costs and expenses, including counsel fees, which the Executive or his beneficiaries may incur in connection therewith. The Corporation shall not delay or reduce the amount of any payment provided for hereunder

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or setoff or counterclaim against any such amount for any reason whatever; it is the intention of the Corporation and the Executive that the amounts payable

to the Executive or his beneficiaries hereunder shall continue to be paid in all events in the manner and at the times herein provided. All payments made by the Corporation hereunder shall be final and the Corporation shall not seek to recover all or any part of any such payments for any reason whatsoever.

8. Additional payments by Corporation.

(a) Notwithstanding anything in this Agreement or any other agreement to the contrary, in the event it shall be determined that any payment or distribution by the Corporation or any affiliate (as defined under the Securities Act of 1933, as amended, and the regulations thereunder) thereof or any other person to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement, pursuant to the Non-Qualified Stock Option Plan for Officers of the Corporation now or hereafter in effect, or pursuant to any other agreement or arrangement with the Corporation or any affiliate thereof now or hereafter in effect (a "Payment"), would be subject to the excise tax imposed by Section 4999 of the Code, or any successor statute thereto, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are

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hereinafter collectively referred to as the "Excise Tax"), then the Executive shall be entitled to receive an additional payment (a "Gross-Up Payment") in an amount such that after payment by the Executive of all taxes (including, without limitation, any interest or penalties imposed with respect to such taxes and any Excise Tax) imposed upon the Gross-Up Payment, the Executive retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments.

(b) The Executive and/or the Corporation shall notify each other in writing as soon as practicable of any claim by the Internal Revenue Service that, if successful, would require the payment by the Corporation of the Gross-Up Payment. Such notification shall state the nature of such claim and the date on which such claim is requested to be paid. Neither the Executive nor the Corporation shall pay such claim for taxes prior to the expiration of the thirty-day period following the date on which the notice is given (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Executive or Corporation notifies the other party in writing prior to the expiration of such period that it desires to contest such claim, such other party shall take such action, in connection with contesting such claim as the Executive or Corporation shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney selected by the Executive or Corpo-

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ration and approved by the other party, provided, however, that the Corporation shall bear and pay directly all costs and expenses (including additional interest and penalties and counsel fees as submitted) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax, including interest and penalties with respect thereto, imposed as a result of such representation and payment of costs and expenses. Furthermore, the Corporation's control of the

contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

9. ASSURANCES ON LIQUIDATION. The Corporation agrees that until the termination of this Agreement as above provided, it will not voluntarily liquidate or dissolve, or enter into or be a party to any other transaction the effect of which would be to materially reduce the net assets or operations of the Corporation, without first making a written agreement with the Executive or other beneficiary, satisfactory to and approved by him or such beneficiary in writing within 30 days of receipt of a notice from the Corporation of such proposed liquidation, dissolution or other transaction, in fulfillment of or in lieu of its obligations to him or such beneficiary under this Agreement or any other agreement, plan, policy or program of the

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Corporation or, in the absence of such agreement, paying him or such beneficiary in a lump sum settlement of all such obligations prior to such proposed liquidation, dissolution or other transaction. Notwithstanding anything in the preceding sentence to the contrary, in the event that pursuant to the preceding sentence the Corporation is obligated to pay to the Executive or such beneficiary in a lump sum settlement all of the obligations of the Corporation to the Executive or such beneficiary under this Agreement or any other agreement, plan, policy or program of the Corporation, the Executive or, in the event of his death or inability to act, his wife or, if not surviving, his eldest surviving child, shall have the right, in his or her sole discretion, to elect not to receive a lump sum settlement of the obligations of the Corporation to the Executive or other beneficiary under Section 5(c)(3) of this Agreement and, in lieu thereof, to receive a guaranty (including, without limitation, a letter of credit), in form and substance satisfactory to the Executive or other beneficiary, as the case may be, in his or her sole discretion, of the payment of such obligations from any entity satisfactory to the Executive or other beneficiary, as the case may be, in his or her sole discretion. Any lump sum settlement shall be determined using the interest rate that would be used (as of the date of payment) by the Pension Benefit Guaranty Corporation for purposes of valuing a lump sum distribution upon a plan termination on the January 1 of the calendar year in which the single sum is paid and the mortality

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assumptions of the Unisex Pension 1984 Mortality Table. For purposes of this Subsection, the Corporation shall be deemed to include on a consolidated basis all subsidiaries and other affiliated corporations or other entities with the same effect as if they were divisions.

10. DEFINITIONS. For purposes of this Agreement, the term "year" shall mean fiscal year, the term "dependents" shall have the same meaning as pursuant to Section 152 of the Code and the term "his 60th year" shall mean immediately following the Executive's 59th birthday. For purposes of this Agreement, disability shall mean a disability which is, or has the potential to be, total and permanent and because of which the Executive is or may become physically or mentally unable to substantially perform his regular duties as an Executive of the Corporation. Any question as to the existence, extent or potentiality of disability of the Executive upon which the Executive and the

Corporation cannot agree shall be determined by a qualified independent physician selected by the Executive and reasonably acceptable to the Corporation (or, if the Executive is unable to make such selection, it shall be made by any adult member of his immediate family). The determination of such physician made in writing to the Corporation and to the Executive shall be final and conclusive for all purposes of this Agreement.

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11. AMENDMENTS. This Agreement may not be amended or modified orally, and no provision hereof may be waived, except in a writing signed by the parties hereto, and specifically the agreement of any beneficiary, wife, dependents or other potential or actual third party beneficiary shall not be required, except as specifically provided for in this Agreement.

12. ASSIGNMENT. This Agreement cannot be assigned by either party hereto except with the written consent of the other.

13. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the personal representatives and successors in interest of the Executive and any successors in interest of the Corporation. In addition to inuring to the benefit of the Executive, Sections 5(a) and 5(b) are intended to inure to the benefit of the Executive's beneficiaries, Section 5(c)(2) is intended to inure to the benefit of the Executive's beneficiaries, to the extent contemplated in that provision, Section 5(c)(3) is intended to inure to the benefit of the Executive's wife and his dependents, and Section 7 and Section 8 are intended to inure to the benefit of the Executive's beneficiaries; such provisions shall be enforceable by the aforesaid beneficiaries, wife and/or dependents, as the case may be, who upon the Executive's death shall be deemed successors in interest.

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14. CHOICE OF LAW. This Agreement shall be governed by the law of the State of Illinois (excluding the law of the State of Illinois with regard to conflicts of law) as to all matters, including but not limited to matters of validity, construction, effect and performance.

15. NOTICE. Except as otherwise provided in this Agreement, all notices and other communications given pursuant to this Agreement shall be deemed to have been properly given if personally delivered or mailed, addressed to the appropriate party at the address of such party as shown at the beginning of this Agreement, postage prepaid, by certified mail or by Federal Express or similar overnight courier service. A copy of any notice sent pursuant to this section shall also be sent to Hodgson, Russ, Andrews, Woods & Goodyear, 1800 one M & T Plaza, Buffalo, New York, 14203, Attention: Richard E. Heath, Esq. and Dianne Bennett, Esq. Any party may from time to time designate by written notice given in accordance with the provisions of this paragraph any other address or party to which such notice or communication or copies thereof shall be sent.

16. SEVERABILITY OF PROVISIONS. In case any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the

remaining provisions contained herein shall not in any way be effected or impaired thereby and

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this Agreement shall be interpreted as if such invalid, illegal or unenforceable provision was not contained herein.

17. TITLES. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

IN WITNESS WHEREOF, the Executive has hereunto set his hand and the Corporation has caused this Agreement to be executed in its name and on its behalf as of the date first above written.

/s/ Jerry N. Derck

Jerry N. Derck

DATE OF EXECUTION: October 28, 1994

IDEX CORPORATION

By: /s/ Donald N. Boyce

Donald N. Boyce, President

DATE OF EXECUTION: October 25, 1994

The undersigned hereby executes this Amendment to evidence her agreement to be bound by the terms of Subsection 5(c)(2) of the Employment Agreement.

/s/ Maryann Derck

Maryann Derck

DATE OF EXECUTION: October 27, 1994

[IDEX LOGO]

IDEX CORPORATION
1994
ANNUAL
REPORT

[PHOTO]

IDEX CORPORATION

IDEX Corporation is a manufacturer of an extensive array of proprietary, engineered industrial products sold to customers in a wide variety of industries around the globe. Our businesses have leading positions in their niche markets, and we have a history of achieving high profit margins.

Among factors in the success equation at IDEX are emphasis on the worth of our people, fleetfootedness, the conduct of business in an ethical manner, continuing new product development, superior customer service, top-quality products, market share growth, and above-average shareholder returns. The IDEX acronym stands for - and the essence of IDEX is - Innovation, Diversity, and EXcellence. The shares of IDEX Corporation are traded on the New York Stock Exchange under the symbol IEX.

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Cover photo - An array of products produced by IDEX.

FINANCIAL HIGHLIGHTS

(In Thousands Except Per Share Amounts)

Years Ended December 31,	1994	1993	% CHANGE
	----	----	-----
Net Sales	\$399,502	\$308,638	29%
Income Before Interest and Taxes	66,097	49,305	34%
Percent of Net Sales	16.5%	16.0%	
Interest Expense	13,581	11,007	23%
Income Before Taxes	52,516	38,298	37%
Net Income	\$33,610	\$25,326	33%
Percent of Net Sales	8.4%	8.2%	
Earnings Per Common Share	\$ 1.72	\$ 1.31	31%
Weighted Average Shares Outstanding	19,554	19,317	1%
Working Capital	\$ 82,007	\$ 72,826	13%
Total Assets	371,096	258,967	43%
Long-Term Debt	168,166	117,464	43%
Shareholders' Equity	\$116,305	\$ 83,686	39%
Return on Average Shareholders' Equity	33.6%	35.6%	

All share and per share data throughout this report has been restated to reflect the three-for-two stock split effected in the form of a 50% stock dividend in January 1995.

NET SALES
(In Millions)

[CHART]

Earnings Per Share
(Before Unusual Items)

[CHART]

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Shareholders' Letter

[PHOTO]

TO OUR SHAREHOLDERS

Your company has a history of strong performance, and again made significant strides in 1994. Earnings per share have grown at a compound annual rate of 22% since the company's first year of operations in 1988, and income (before extraordinary items) has improved each year. In 1994, records were set in sales, net income and earnings per share, many new products were introduced, international sales growth accelerated, a significant acquisition boosted prospects, our quality profile was further enhanced, and our shareholders experienced another rise in value beyond that of the S&P 500 and our peer group. At year end, the company's Board authorized a three-for-two stock split and instituted a cash dividend.

RECORD FINANCIAL PERFORMANCE: SALES RISE 29%; EARNINGS UP 33%

Net sales in 1994 increased by a significant 29% to \$399.5 million,

while net income rose by an even greater 33% to a record \$33.6 million. Earnings per share on a post-split basis improved to \$1.72 in 1994 from \$1.31 in 1993. Growth in our base businesses added 12% to our sales, and inclusion of two acquisitions (Hale Products and Signfix) which were not in last year's results, added 17% to our volume. Every one of our 10 business units is quite profitable, and each experienced improvements in sales and profits in 1994.

It is always good to have a strong tail wind, and the buoyant economy certainly helped in 1994. However, we believe our focus on market development, product development, international expansion, quality, ethics, and cost control also added to our results. Operating profit margins increased to 17.2% of sales from 16.2% in the prior year, even though recently acquired businesses have margins which are somewhat lower than those in our base businesses. Our margins are about double those of the average company in the Value Line Composite Index.

In 1994, 69% of sales and 75% of profits came from our Fluid Handling Group, and 31% of sales and 25% of profits came from the Industrial Products Group.

SUPERIOR GROWTH IN SHAREHOLDER VALUE

Your company's superior financial results also are being reflected in well-above-average returns for shareholders. IDEX's stock, adjusted for the three-for-two stock split, closed at \$28-1/8 per share on the New York Stock Exchange at year end 1994. This was up 18% from the year end 1993 close of \$23-7/8, and was up 192% from the \$9-5/8 per share initial public offering price on June 2, 1989. By comparison, the S&P 500 rose 1% in 1994, and has increased 69% since IDEX went public in 1989.

STOCK SPLIT AND DIVIDEND ACTION

On December 12, 1994, our Board of Directors authorized a stock split and the commencement of a cash dividend beginning in 1995. The three-for-two stock split is being effected through a 50% stock dividend, and the cash dividend has been initially set at 14 cents per calendar quarter on the post-split shares. Both the stock dividend and the first cash dividend will be paid on January 31, 1995, to shareholders of record on January 17, 1995. These moves underscore our solid financial position and excellent future prospects.

KEY ACQUISITION COMPLETED

IDEX's disciplined acquisition strategy has resulted in the purchase of seven businesses in the past six years. Three of the acquisitions are being operated as parts of existing business units, and four are stand-alone businesses. Each acquisition has added to shareholder value, and has characteristics similar to our base businesses.

The most recent acquisition, Hale Products, was completed in May 1994. Hale is the world's leading producer of fire-fighting pumps (both truck mounted and portable), and also produces the Hurst Jaws of Life(R) rescue tool system. Its pumps are manufactured under the Hale name in the U.S. and the Godiva name in the United Kingdom. Hale is the only manufacturer of fire-fighting pumps and rescue tools offering products which meet specifications throughout the world.

We continue to seek acquisitions, and expect to improve shareholder value further by following a carefully executed external development strategy.

INTERNAL DEVELOPMENT YIELDS RESULTS

Our new product and new process emphasis continues. Again in 1994, approximately one-fourth of our sales came from products that have been newly introduced or totally redesigned within the past four years. Several examples of our new products will be found in other sections of this report. In support of our belief that we must leapfrog our own technology, and that new products are the lifeblood of our business, one in 10 of the people in IDEX is directly engaged in product or process technology development.

Our international sales have steadily risen in importance. In 1994, 32%

of sales occurred outside of the United States. This is up from 27% in 1993, and from 15% in 1985. Our internationalization has occurred by putting "feet on the street"--placing IDEX representatives in other countries, strengthening our worldwide distribution,

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establishing manufacturing in strategic locations outside the U.S. and by acquiring businesses.

IDEX has long believed that providing top-quality products is a cornerstone of our business practice. Recently, however, the internationally recognized ISO certification has become an important designation, particularly in markets outside the United States. We're pleased to report that eight of our 10 business units now have achieved ISO certification, and in most cases, were the first in their respective markets to do so. The remaining two business units are recent acquisitions that have programs in place to assure certification in 1995.

MANAGEMENT ORGANIZATION

In August 1994, Frank J. Hansen was promoted to Senior Vice President-Operations and Wayne P. Sayatovic was promoted to Senior Vice President-Finance. Mr. Hansen, who was previously a Vice President-Group Executive and President of our Viking Pump business unit, has been with the company for 19 years. Mr. Sayatovic, who was previously Vice President-Finance, has been with the company for 22 years.

Mark W. Baker, President of our Lubriquip business unit, who has served the company for 16 years, was promoted in August to Vice President-Group Executive responsible for our Corken, Lubriquip, and Warren Rupp business units. Wade H. Roberts, Jr., who has been with the company for four years, accepted the role of President of our newly acquired Hale business unit in May, while retaining responsibility for our Strippit and Vibratech business units as Vice President-Group Executive of IDEX.

Each of these important positions was filled with an internal candidate, yet depth in our management ranks remains. This new organizational structure positions IDEX for continued progress in the years ahead.

FUTURE BRIGHT RECORDS EXPECTED IN 1995

IDEX is well poised for future advancement, but our job is far from done. We unceasingly strive for sustained long-term growth and solid current returns for shareholders. IDEX's strategy is to advance the company with new products, new applications for our products, market share growth, international expansion, and a careful acquisition program. We will watch our costs, provide superior customer service, and follow the "rules of the road" with strict adherence to high ethical standards. We will share the best ideas across our various business units, and stay in the forefront as world-class producers of proprietary industrial products.

In the year ahead, we expect further significant progress, although the rate of growth in the U.S. economy could be slightly less than in 1994. Internationally, almost every country in which we do business is expected to experience economic growth. With the favorable business environment, strong cash flow that will enable us to cut our debt and lower interest expense, and the inclusion of Hale Products in our results for a full year, we envision that new records will once again be set in sales, net income, and earnings per share in 1995.

The support of our customers, our suppliers, our employees, our Board, and our shareholders has been essential to IDEX's success, and we thank all of them for their assistance.

/s/ Donald N. Boyce

Donald N. Boyce
Chairman of the Board
and President
January 17, 1995

NET INCOME
BEFORE UNUSUAL ITEMS
(In Millions)

[CHART]

TOTAL SHAREHOLDER
RETURNS

[CHART]

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Business Groups

FLUID HANDLING GROUP

The Fluid Handling Group of IDEX is comprised of six business units which produce and market industrial pumps and controls, fire-fighting pumps and rescue equipment, low horsepower compressors, and lubrication systems.

In 1994, this Group contributed 69% of consolidated sales and 75% of combined income from operations. Sales to customers outside the U.S. accounted for 30% of Group sales.

CORKEN is a leading supplier of pumps and small horsepower compressors which are used by the liquified petroleum gas distribution industry and in the movement of liquids and gaseous substances for industrial applications. This business unit is located in Oklahoma City, Oklahoma, and has sales offices in Singapore.

[PHOTO]

HALE PRODUCTS, acquired in May 1994, is the world's leading manufacturer of truck-mounted fire pumps. It also produces portable firefighting pumps and products which form the Hurst Jaws of Life(R) rescue system. Hale's headquarters and a manufacturing facility are located in Conshohocken, Pennsylvania. It also has production facilities in Shelby, North Carolina, St. Joseph, Tennessee, and Warwick, England, and service and distribution centers in Germany and Singapore.

[PHOTO]

LUBRIQUIP is the leading producer of a wide range of centralized oil and grease lubrication systems and force-feed lubricators for use in general industrial and transportation applications. Its headquarters and principal manufacturing facility are located in Warrensville Heights, Ohio. It also operates manufacturing facilities in McKees Rocks, Pennsylvania, and Madison, Wisconsin, and has sales offices in Singapore.

[PHOTO]

PULSAFEEDER is a leading producer of metering pumps and controls used in water treatment and process industries. This business, acquired in 1992, has its headquarters and a manufacturing facility in Rochester, New York. It also manufactures products in Punta Gorda, Florida, and Muskogee, Oklahoma, and has sales offices in China and Singapore.

[PHOTO]

VIKING PUMP IS a leading worldwide producer of positive displacement rotary internal and external gear pumps. It is headquartered in Cedar Falls, Iowa, where its principal pump manufacturing facility and its gray iron and alloys foundries are located. It also has plants in Shannon, Ireland, Eastbourne, England, and Windsor, Ontario; participates in a joint venture in Mexico; and has sales offices in Amsterdam, China and Singapore.

[PHOTO]

WARREN RUPP is a leading manufacturer of compressed air-operated and motor-driven, double-diaphragm pumps which move liquid and semi-solid materials. Warren Rupp is headquartered in Mansfield, Ohio, has a distribution facility in Shannon, Ireland and sales offices in Singapore.

[PHOTO]

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INDUSTRIAL PRODUCTS GROUP

The Industrial Products Group of IDEX consists of four business units which produce and market proprietary products for a wide range of industrial applications. In 1994, this Group provided 31% of consolidated sales and 25% of combined income from operations. Sales to customers outside the U.S. accounted for 36% of the Group's sales.

BAND-IT is the world's largest producer of stainless steel banding and clamping devices including bands, buckles, preformed clamps and installation tools. Its headquarters and main manufacturing plant are located in Denver, Colorado. It also has manufacturing and distribution facilities in Staveley, England and Singapore.

[PHOTO]

SIGNFIX was acquired in November 1993 and is the leading U.K.-based manufacturer of sign-mounting devices and related equipment. Its headquarters and main manufacturing plant are located near Bristol, England with another manufacturing facility in Tipton, England. Signfix also has distribution offices in France and Germany.

[PHOTO]

STRIPPIT is a leading manufacturer of metal fabricating equipment and tooling used in the domestic and international metal fabrication industry. It is headquartered in Akron, New York, where it produces its complete machinery and tooling lines. It also has sales and service offices in England, France and Singapore.

[PHOTO]

VIBRATECH is a leading producer of a broad line of engineered mechanical energy absorption devices which provide vibration and motion control for transportation equipment, machinery and other uses. It is located in Buffalo, New York.

[PHOTO]

SALES

- - - - -

[CHART]

Fluid Handling 69%
Industrial Products 31%

PROFITS

- - - - -

[CHART]

Fluid Handling 75%
Industrial Products 25%

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Business Profile

	[PHOTO] CORKEN -----	[PHOTO] HALE PRODUCTS -----	[PHOTO] LUBRIQUIP -----
Product offering	Small horsepower compressors, vane and turbine pumps and valves.	Truck-mounted and portable fire pumps, and products which form the Hurst Jaws of Life(R) rescue system.	Centralized oil and grease lubrication systems, force-feed lubricators, metering devices, accessories and related electronic controls.
Markets served	Liquified petroleum gas (LPG), oil and gas, petrochemical, environmental, health care and general industrial.	Public and private fire and rescue applications.	Machine tools, transfer machines, conveyors, packaging machinery and transportation and construction equipment.
Product applications	Products used for transfer of LPG, alternative fuels and other gases and liquids.	Pumps water or compressed air foam to extinguish fires. Rescue equipment saves lives by extricating accident victims.	Lubrication devices to prolong equipment life and reduced maintenance costs.
Competitive strengths	Market leader for pumps and small horsepower compressors used in LPG distribution with estimated 50% market share.	World's leading manufacturer of truck-mounted fire pumps with estimated 50% share of U.S. and 80% share of UK markets. Hurst Jaws of Life(R) rescue system has estimated 60% U.S. market share.	Market leader in centralized lubrication systems serving a broad range of industries. Estimated one-third market share.
International scope	35% of sales outside the U.S.	40% of sales outside U.S. Also manufactures in England.	15% of sales outside the U.S.
Examples of recently introduced products	New compressor options for environmentally sensitive applications and additional vane pump models.	Expanded offering of Jaws of Life(R) rescue systems and redesigned line of portable fire pumps.	New no-leak lubrication systems for automotive industry and vibration-activated lubrication pumps.
Facilities	Oklahoma City, Oklahoma Singapore	Conshohocken, Pennsylvania Shelby, North Carolina St. Joseph, Tennessee Warwick, England Dieburg, Germany Singapore	Warrensville Heights, Ohio McKees Rocks, Pennsylvania Madison, Wisconsin Singapore

[PHOTO] PULSAFEEDER -----	[PHOTO] VIKING PUMP -----	[PHOTO] WARREN RUPP -----	[PHOTO] BAND-IT -----
Metering pumps, special purpose rotary and centrifugal pumps, and related electronic controls.	Positive displacement rotary gear, lobe and metering pumps and related electronic controls.	Air-operated and motor-driven, double-diaphragm pumps and accessories.	Stainless steel bands, buckles preformed clamps and installation tools.
Water and wastewater treatment, chemical and hydrocarbon processing, food processing, and warewash institutional.	Chemical processing, petroleum, food processing, pulp and paper, construction and power generation.	Chemical, paint, food processing, electronics, construction, industrial maintenance, utilities and mining.	Transportation equipment, utilities, mining, oil and gas, industrial maintenance, construction, electronics and communications.
Pumps and controls for introducing precise amounts of fluids into processes to manage chemical composition.	Pumps for materials ranging from anhydrous ammonia to peanut butter, from thin to highly viscous liquids.	Pumps for abrasive and semi-solid materials, as well as for applications where product degradation is a concern.	Clamps for securing hoses, pipes, poles, electrical lines and numerous other "hold together" applications.
A leading manufacturer of metering pumps and controls	Largest internal gear pump producer. Broad product	A leading diaphragm pump producer offering products	World's leading producer of

used in water treatment and process applications. Estimated 35% market share.	offering and extensive application technology. Estimated one-quarter share of rotary pump market and 45% share of rotary pump market in chemical processing.	in several materials including composites, stainless steel and cast iron. Estimated one-third market share.	high quality stainless steel bands, buckles and clamps with estimated 50% market share.
20% of sales outside the U.S.	30% of sales outside the U.S. Also manufactures in Canada, England and Ireland. Joint venture in Mexico.	40% of sales outside the U.S.	45% of sales outside the U.S. Also manufactures in England and Singapore.
Five-way valve option for standard pumps and expanded range of magnetic gear pumps.	New series of hygienic lobe pumps and new gear pump models for abrasive liquid applications.	Electronic control interface for pumps and spill containment sealless pumps.	New Easy Scale(R) length imprinted band and improved pneumatic installation tools.
Rochester, New York Punta Gorda, Florida Muskogee, Oklahoma Beijing, China Singapore	Cedar Falls, Iowa Toronto, Ontario, Canada Windsor, Ontario, Canada Eastbourne, England Shannon, Ireland Mexico City, Mexico Beijing, China Alphen, Netherlands Singapore	Mansfield, Ohio Shannon, Ireland Singapore	Denver, Colorado Staveley, England Singapore

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[PHOTO]	[PHOTO]	[PHOTO]	
SIGNFIX -----	STRIPPIT -----	VIBRATECH -----	
Sign-mounting systems and band products.	Computer-controlled turret punching machines, semi-automatic fabricators, punches, dies and related tooling items.	Viscous torsional vibration dampers; motion, ride control and mechanical energy absorption devices.	Fluid Handling Group Corken
Municipal and commercial signs, and industrial maintenance applications.	Office, food service, agricultural and hospital equipment, electronic chassis, and other metal fabrication industries.	Heavy duty trucks, machinery, motorsport, off-highway and rail vehicles.	Hale Products Lubriquip Pulsafeeder Viking Pump Warren Rupp
Road, traffic and commercial signs, bands and clamps for various applications.	Equipment and tooling for punching, bending, shearing and laser cutting of sheet metal.	Products to control motion, vibration and shock.	
Leader in U.K. for sign-mounting products and systems with estimated 45% market share.	Industry innovator and holder of numerous patents. A leading producer of computer-controlled turret punching machines with estimated 30% market share.	Inventor and largest non-captive U.S. producer of torsional vibration dampers. Estimated 40% share of viscous damper market.	Industrial Products Group
20% of sales outside U.K.	25% of sales outside the U.S.	10% of sales outside the U.S.	Band-It Signfix
Modular post and panel systems and a range of new street sign products.	PC controlled laser-cutting machine and line of replaceable tooling inserts.	Rotary suspension damper for intermodal rail applications and torsional vibration dampers for new diesel engine series.	Strippit Vibrattech
Bristol, England Tipton, England Paris, France Sankt Augustin, Germany	Akron, New York Carritos, California Beijing, China Swindon, England Paris, France Singapore	Buffalo, New York	

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IDEX is a company which enjoys significant shares in small niche markets. We achieve these positions by being customer driven--by responding rapidly to customer needs with top-quality, state-of-the-art products. We are a fleetfooted organization--nimble and deft--with little red tape to slow us down.

A market focus pervades our organization. As leaders, we follow a rigorous program of market and product development. The IDEX acronym stands for Innovation, Diversity, and EXcellence, and those traits position us for further market growth.

The majority of IDEX's products are sold through well-established industrial distribution networks. We also sell directly to original equipment manufacturers. Thousands of end-users of our products around the globe rely on our distributors to assist them with product selection and installation. We provide extensive training and support for our distributors to help them fill their important role in the distribution process. Our distributors are our partners in providing customers with the best products for their applications, in a timely manner.

Our market development efforts have taken us to more than 100 countries around the globe. International sales have grown from 15% of the total in 1985 to 32% currently. By sharing application ideas with distributors and customers, we have widened the array of industries we serve. Today, no single industry accounts for a major part of our sales.

IDEX follows a strict code of ethics in its business practices. We strive to be a company that people are pleased to buy from, sell to, work for, and invest in. Each of our businesses has either the number one position in its niche market, or has a leading position as a close second in market share. On a weighted-average basis, our businesses enjoy an approximate one-third share of the primary markets we serve.

By following ethical practices, providing superior quality, state-of-the-art products, and giving excellent, fleetfooted service, we intend to further strengthen our market positions.

[CHART]

MARKETS SERVED

- - - - -
Utilities & Power Generation
Petroleum Distribution
Food Processing
Construction & Material Handling
Automotive
Oil & Refining
Water Conditioning
Fabricated Metal Products
Chemical Processing
Fire & Rescue
All Other

[CHART]

INTERNATIONAL SALES

- - - - -
Domestic 68%
International 32%

[CHART]

MARKET SHARE LEADERSHIP

- - - - -
IDEX Weighted Average Share
of Markets Served 33%

[PHOTO]

IDEX products for the process industries include:

- A. the Corken compressor,
- B. the Pulsafeeder metering pump
- C. The Viking internal gear pump, and
- D. the Warren Rupp air-operated diaphragm pump.

GROWTH THROUGH PRODUCT DEVELOPMENT

Innovation is a key ingredient in the success equation at IDEX. We foster processes which lead to new products and features for our customers. While one in 10 of the people in IDEX is directly engaged in product or process technology development, it is every employee's job to contribute to the new product process. Multidisciplined teams work with customers, specifiers, users, distributors, and focus groups to assure that our products are state-of-the-art, incorporating the latest, proven technology on a cost-effective basis.

The effectiveness of our new product development efforts is demonstrated by the fact that 25% of sales come from products that have been totally redesigned or newly introduced within the past four years. Each of our business units introduced new products again in 1994, including:

- - A new series of hygienic lobe pumps at Viking
- - A totally redesigned series of "world" portable pumps at Hale Products
- - New no-leak lubricating systems at Lubriquip
- - Easy Scale(R) band to eliminate individual measurements for clamps at Band-It
- - An all new HELIOS standalone, CNC laser-cutting machine at Strippit
- - A rotary suspension damper for intermodal rail applications at Vibratex, and
- - An electronic control interface for air-operated diaphragm pumps at Warren Rupp.

Eight of our 10 business units are now ISO 9001 certified suppliers of industrial products, and the remaining two units, both recent acquisitions, are on their way to achieving this important designation. These certifications reinforce our long-standing manufacturing integrity, and place us at the forefront with our customers, who rightfully demand first-class products.

Our objective is to leapfrog our own technology. Our fleetfooted development approach results in new products with proven reliability being brought to market at a rapid pace. In IDEX, we feel strongly that our customers deserve the very best the market can produce.

NEW PRODUCT SALES

- -----

[CHART]

25%
Quality System
ISO 9001
Certified

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[PHOTO]

IDEX products for the fire and rescue markets include:

- A. Strippit PC controlled fabricating equipment used in the manufacture of fire and rescue vehicles,
- B. The Hurst Jaws of Life(R) rescue tool, and
- C. Hale truck-mounted fire pumps.

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GROWTH THROUGH ACQUISITIONS

The IDEX acquisition strategy is disciplined and carefully executed. It is designed to assure growth in shareholder value rather than growth for growth's sake. Each of our seven acquisitions since 1989 has been strategic and profitable for the company. While products produced and markets served may vary, there is commonality in manufacturing methods, engineering principles, business systems, and distribution methods among our business units, and in the acquisitions we seek.

IDEX is interested in acquiring manufacturers of proprietary industrial products with an engineering content and with leading positions in their niche markets. About one-third of our sales are for repair and replacement, and this is a characteristic we look for in businesses we consider purchasing. We opt to acquire sound companies and improve them further by sharing our business practices, rather than seeking turnaround businesses which require a disproportionate amount of time and attention. Our track record speaks for itself. KLS Lubricating Systems, Corken, Viking Pump of Canada, Pulsafeeder, Johnson Pump, Signfix, and Hale Products are all contributing strongly to the bottom line today, and have exciting future potential. In 1994, Signfix (acquired in November 1993) and Hale (acquired in May 1994) accounted for 14% of IDEX sales and broadened the markets we serve.

The future acquisitions we make could take us into additional product areas as stand-alone businesses, or might be product line additions to our existing units. In either event, we will follow our rigorous acquisition evaluation process to assure that our shareholders benefit from any transaction in which we become involved. Acquisitions have been an important element in our success to date, and we plan that they will be tomorrow as well.

1994 SALES

Hale Products & Signfix 14%

[CHART]

Base Business 86%

REPAIR & REPLACEMENT SALES

33%

[CHART]

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[PHOTO]

IDEX products for the traffic and transportation markets include:

- A. Signfix sign systems,
- B. Band-It clamping systems for mounting signs and signals,
- C. Vibratex dampers for heavy-duty truck engines, and
- D. Lubriquip Grease Jockey(R) lube systems for over-the-road trucks.

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IDEX CORPORATION AND SUBSIDIARIES

Historical Data

(in thousands except per share amounts)

OPERATING MARGINS

[CHART]

Operating margins at IDEX are about double those of the Value Line Industrial Composite Index. While base business margins have held up well, overall margins have moved downward as acquired companies with lower margins were included. When these acquisitions have been assimilated, margins have recovered.

TOTAL ASSETS AND LONG-TERM DEBT

[CHART]

IDEX's balance sheet has strengthened considerably since 1988. During this seven year period, the company has borrowed \$207 million to make seven strategic acquisitions; however, debt has been cut by an equivalent \$207 million, principally with cash flow from operations. As a result, our debt level is unchanged, but assets have almost tripled.

NET INCOME MARGINS

[CHART]

Net income margins at IDEX have shown steady improvement and significantly exceeded those of the Value Line Industrial Composite Index. IDEX's after-tax net income margins in the past four years are approximately equal to the pretax operating margins of the Value Line Index over the same period.

EBITDA AND INTEREST

[CHART]

IDEX's cash flow coverage has improved dramatically over the last seven years. In 1994, EBITDA (earnings before interest, taxes, depreciation and amortization) totaled \$80 million, the equivalent of 5.9 times interest expense.

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	1994	1993	1992	1991	1990	1989	1988
	----	----	----	----	----	----	----
INCOME STATEMENT							
Net sales	\$ 399,502	308,638	277,129	228,181	228,397	220,971	200,351
Gross profit.....	\$ 152,644	118,352	105,977	85,089	84,853	84,613	74,151
% of sales.....	38.2%	38.3%	38.2%	37.3%	37.2%	38.3%	37.0%
Selling, general and administrative expenses.....	\$ 83,980	68,217	63,123	47,014	44,521	42,648	37,135
Income from operations	\$ 68,664	50,135	42,854	38,075	40,332	41,965	37,016
% of sales.....	17.2%	16.2%	15.5%	16.7%	17.7%	19.0%	18.5%
Other income (expense).....	\$ (2,567)	(830)	308	398	1,038	965	144
Interest expense.....	\$ 13,581	11,007	12,178	12,730	15,566	17,828	18,552
Income before income taxes and extraordinary items.....	\$ 52,516	38,298	30,984	25,743	25,804	25,102	18,608
% of sales.....	13.1%	12.4%	11.2%	11.3%	11.3%	11.4%	9.3%
Provision for income taxes	\$ 18,906	12,972	10,838	9,826	10,101	9,994	7,954
Income before extraordinary items.....	\$ 33,610	25,326	20,146	15,917	15,703	15,108	10,654
% of sales.....	8.4%	8.2%	7.3%	7.0%	6.9%	6.8%	5.3%
Extraordinary items							
Loss from defeasance of debt.....	\$ -	-	(4,958)	-	-	-	-
Utilization of net operating loss carryforwards	\$ -	-	-	1,214	2,145	2,972	4,583
Cumulative effect of changes in accounting principles....	\$ -	-	1,517	-	-	-	-
Net income.....	\$ 33,610	25,326	16,705	17,131	17,848	18,080	15,237
Preferred dividend requirements.....	\$ -	-	-	-	-	3,223	5,225
Income applicable to common stock.....	\$ 33,610	25,326	16,705	17,131	17,848	14,857	10,012
BALANCE SHEET DATA							
Current assets	\$ 151,357	115,466	116,723	74,464	75,697	75,202	68,983
Current liabilities.....	\$ 69,350	42,640	40,041	31,733	30,742	28,888	27,912
Working capital.....	\$ 82,007	72,826	76,682	42,731	44,955	46,314	41,071
Current ratio.....	2.2	2.7	2.9	2.3	2.5	2.6	2.5
Capital expenditures	\$ 8,896	7,822	8,231	3,578	6,813	5,389	2,533
Depreciation and amortization	\$ 14,315	11,898	10,576	7,638	6,579	6,206	6,938
Total assets.....	\$ 371,096	258,967	253,300	143,142	134,356	133,687	128,124
Return on average assets	10.7%	9.9%	8.4%	12.3%	13.3%	11.3%	7.7%
Long-term debt.....	\$ 168,166	117,464	139,827	65,788	103,863	124,942	143,308
Total liabilities.....	\$ 254,791	175,281	194,569	106,030	138,643	156,969	172,607
Redeemable preferred stock...	-	-	-	-	-	-	40,198
Shareholders' equity	\$ 116,305	83,686	58,731	37,112	(4,287)	(23,282)	(84,681)
Return on average shareholders' equity.....	33.6%	35.6%	34.9%	104.4%	N/M	N/M	N/M
COMMON SHARE STATISTICS (1)							
Earnings per common share							
Income before extraordinary items.....	\$ 1.72	1.31	1.06	.94	.97	.87	.52
Extraordinary items							
Loss from defeasance of debt.....	\$ -	-	(.26)	-	-	-	-
Utilization of net operating loss carryforwards	\$ -	-	-	.07	.13	.22	.43
Cumulative effect of changes in accounting principles.....	\$ -	-	.08	-	-	-	-
Net income.....	\$ 1.72	1.31	.88	1.01	1.10	1.09	.95
Shareholders' equity per common share(2).....	\$ 6.10	4.39	3.11	1.98	(.26)	(1.44)	(8.07)
Weighted average common shares outstanding	19,554	19,317	18,926	16,911	16,206	13,691	10,493
Common shares outstanding-end of year	19,079	19,053	18,902	18,789	16,202	16,211	10,493
Stock price							
High.....	\$ 29 1/4	24	15 7/8	13 3/8	11 5/8	11 1/4	-
Low.....	\$ 22 5/8	14 5/8	11 1/8	6 3/8	6 7/8	9 1/4	-
Year-end close.....	\$ 28 1/8	23 7/8	15 7/8	11 1/8	7 1/8	11 1/4	-
Price earnings ratio							
at year-end.....	\$ 16	18	15	12	7	13	-

(1) All share and per share data has been restated to reflect the three-for-two stock split effected in the form of a 50% stock dividend in January 1995.

(2) Calculated on the basis of the number of common shares outstanding at year-end.

N/M -Not Meaningful.

Management's Discussion and Analysis of
Financial Condition and Results of Operations

HISTORICAL OVERVIEW AND OUTLOOK

IDEX sells a broad range of proprietary fluid handling and industrial products to a diverse customer base in the United States and, to an increasing extent, internationally. Accordingly, IDEX's businesses are affected by levels of industrial activity and economic conditions in the United States and in those other countries where its products are sold and, to some extent, by the relationship of the dollar to other currencies. Among the factors that affect the demand for IDEX's products are interest rates, levels of capital spending by industry and overall industrial growth.

IDEX has a history of strong operating margins. The Company's operating margins are affected by, among other things, utilization of facilities as sales volume changes, and inclusion of newly acquired businesses which may have lower margins and whose margins may be further affected by purchase accounting adjustments.

In 1994, IDEX achieved record orders, sales, net income and earnings per share. Incoming orders exceeded shipments and backlogs increased modestly. IDEX normally operates with a very low backlog of about 1-1/2 months' sales, which enables it to provide excellent customer service, but which also means that changes in orders are felt quickly in operating results.

The economy in the U.S. showed solid growth in 1994, as did most of the other economies of the world. With our robust current incoming order pace, strong market positions, a continuing flow of new and redesigned products, and opportunities for international expansion, the outlook for IDEX is strong. Barring unforeseen circumstances, IDEX expects to again achieve records in sales, net income, and earnings per share in 1995.

RESULTS OF OPERATIONS

For purposes of this discussion and analysis section, reference is made to the table on page 17 and the Company's Statements of Consolidated Operations on page 21. IDEX consists of two business segments: Fluid Handling and Industrial Products.

PERFORMANCE IN 1994 COMPARED TO 1993

Sales, net income and earnings per common share were at record levels for 1994. Incoming orders, also at record levels in 1994, rose 30% with about half the increase stemming from growth in the Company's base businesses and the other half resulting from including the recently acquired Signfix and Hale Products business units.

Sales for 1994 of \$399.5 million increased \$90.9 million or 29% over 1993. The inclusion of Signfix and Hale Products, a strong U.S. economy, continuing emphasis on developing international markets and the addition of several new products were factors that enabled the Company to report record sales.

Fluid Handling Group sales of \$275.6 million increased \$63.1 million or 30% from 1993. The inclusion of Hale Products activity from its acquisition in May 1994 and higher sales volume from improved market conditions in each of the other Fluid Handling Group businesses accounted for the increase. Sales outside the U.S. increased to 30% of total Fluid Handling Group sales in 1994 from 27% in 1993 due to the inclusion of international operations of Hale Products and stronger international demand for products of the base businesses in the Group.

Industrial Products Group sales of \$124.2 million increased \$27.8

million or 29% compared to 1993 due to improved demand for products of all the base business units of this group and inclusion of Signfix. Shipments outside the U.S. were 36% of total Industrial Products sales in 1994, up from 27% in 1993, principally due to the inclusion of Signfix -- a U.K.-based business unit.

Gross profit of \$152.6 million in 1994 increased \$34.3 million or 29% from 1993. Gross profit as a percentage of sales was 38.2% in 1994 compared to 38.3% in 1993. Selling, general and administrative expenses increased to \$84.0 million in 1994 from \$68.2 million in 1993, but as a percentage of sales decreased to 21.0% in 1994 compared to 22.1% in 1993.

Income from operations increased \$18.5 million to \$68.7 million or 37% in 1994 from \$50.1 million in 1993. Operating margin as a percent of sales increased to 17.2% in 1994 from 16.2% in 1993. In the Fluid Handling Group, income from operations of \$58.1 million and operating margin of 21.1% for 1994 were both higher than income from operations of \$43.1 million and operating margin of 20.3% in 1993. Operating margin improvements resulted primarily from volume-related gains with improving business conditions in the base businesses of the Group. These factors were partially offset by inclusion of Hale Products, whose operating margin is somewhat lower than the other units in the Group and whose profits are further affected by purchase accounting adjustments. Income from operations in the Industrial Products Group of \$18.4 million and operating margin of 14.8% in 1994 were higher than income from operations of \$13.8 million and operating margin of 14.3% in 1993 due to volume-related improvements in the core businesses and inclusion of Signfix.

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COMPANY AND BUSINESS GROUP FINANCIAL INFORMATION
(IN THOUSANDS)

	YEARS ENDED DECEMBER 31, (1) (2)		
	1994	1993	1992
FLUID HANDLING GROUP			
Net sales	\$275,598	\$212,519	\$187,035
Income from operations.....	58,072	43,125	38,898
Operating margin	21.1%	20.3%	20.8%
Identifiable assets	\$284,571	\$178,734	\$186,429
Depreciation and amortization.....	10,695	8,844	7,272
Capital expenditures.....	5,772	5,503	5,144
INDUSTRIAL PRODUCTS GROUP			
Net sales.....	\$124,152	\$ 96,343	\$ 90,232
Income from operations.....	18,402	13,792	11,782
Operating margin.....	14.8%	14.3%	13.1%
Identifiable assets.....	\$ 73,693	\$ 66,968	\$ 50,414
Depreciation and amortization.....	2,930	2,374	2,383
Capital expenditures.....	2,848	2,170	3,079
COMPANY			
Net sales.....	\$399,502	\$308,638	\$277,129
Income from operations.....	68,664	50,135	42,854
Operating margin.....	17.2%	16.2%	15.5%
Income before interest, income taxes, extraordinary items and cumulative effect of changes in accounting principles.....	\$ 66,097	\$ 49,305	\$ 43,162
Identifiable assets.....	371,096	258,967	253,300
Depreciation and amortization (3).....	13,696	11,258	9,697
Capital expenditures.....	8,896	7,822	8,231

(1) Includes acquisitions of Viking Pump of Canada (February 20, 1992), Pulsafeeder (May 5, 1992) Johnson Pump (September 4, 1992) and Hale Products (May 26, 1994) to Fluid Handling Group and Signfix (November 24, 1993) to the Industrial Products Group.

- (2) Income from operations excludes amortization of goodwill expense. Group income from operations also excludes net unallocated corporate operating expense.
- (3) Excludes amortization of debt issuance expenses.

Other expense totaled \$2.6 million in 1994, up \$1.7 million from the \$.8 million recorded in 1993 principally because of higher goodwill amortization expense resulting from the acquisitions of Hale Products and Signfix.

Interest expense increased to \$13.6 million in 1994 from \$11.0 million in 1993 because of additional borrowings to complete the acquisitions of Signfix and Hale Products and a generally higher interest rate environment in 1994.

The provision for income taxes increased to \$18.9 million in 1994 from \$13.0 million in 1993. The effective tax rate increased to 36.0% in 1994 from 34.0% in 1993. The 1993 tax rate was affected by tax code revisions relating to the deductibility of goodwill amortization, and the 1994 tax rate reflects the non-deductibility of goodwill amortization associated with the purchase of Hale Products' common stock.

Net income of \$33.6 million in 1994 was 33% higher than net income of \$25.3 million in 1993. Earnings per share, adjusted for the three-for-two stock split described below, of \$1.72 in 1994 were 31% higher than earnings per share of \$1.31 in 1993.

In December 1994, the Company's Board of Directors authorized a three-for-two stock split to be effected in the form of a 50% stock dividend payable on January 31, 1995, to shareholders of record on January 17, 1995. Par value of common stock remained at \$.01. Shareholders' equity has been restated to give retroactive recognition to the stock split for all periods presented by reclassifying from additional paid-in capital to common stock the par value of the additional shares arising from the split. All references in the financial statements to number of shares, per share amounts, and market prices of the Company's common stock have been restated.

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PERFORMANCE IN 1993 COMPARED TO 1992

Sales, income from operations, net income and earnings per common share for 1993 were higher than 1992 and established records.

Sales for 1993 of \$308.6 million increased \$31.5 million or 11% over 1992. Acquisitions, a gradually improving U.S. economy, the addition of several new products and continuing emphasis on developing international markets were factors that enabled the Company to report record sales even though economic conditions were less than robust, particularly in Europe.

Fluid Handling Group sales of \$212.5 million increased \$25.5 million or 14% from 1992. The inclusion of 1992 acquisitions in the 1993 results for the full year and modest volume increases in the base Fluid Handling Group businesses accounted for the increase. Sales outside the U.S. decreased to 27% of total Fluid Handling Group sales in 1993 from 28% in 1992 due to the recession in the European market.

Industrial Products Group sales of \$96.3 million increased \$6.1 million or 7% compared to 1992. There was stronger demand for Strippit's machinery and tooling products and Vibratex's torsional vibration dampers. Band-It had somewhat lower sales because of its more significant presence in the European market. Shipments to customers outside the U.S. were 27% of total Industrial Products sales in 1993, down from 30% in 1992, again because of weakness in Europe.

Gross profit of \$118.4 million in 1993 increased \$12.4 million or 12% from 1992. Gross profit as a percentage of sales improved slightly to 38.3% in

1993 compared to 38.2% in 1992. Selling, general and administrative expenses increased to \$68.2 million in 1993 from \$63.1 million in 1992, but as a percentage of sales decreased to 22.1% in 1993 from 22.8% in 1992.

Income from operations increased to \$50.1 million in 1993 from \$42.9 million in 1992. In the Fluid Handling Group, income from operations increased by 11% to \$43.1 million in 1993 from \$38.9 million in 1992. Operating margin for the Group declined slightly to 20.3% in 1993 from 20.8% in 1992. These changes resulted from inclusion in 1993 of 1992 acquisitions for the full year. Operating margins at newly acquired businesses were somewhat lower than the other units in the Group and were further affected by purchase accounting adjustments. Income from operations in the Industrial Products Group increased to \$13.8 million or 17% from \$11.8 million in 1992. Operating margin for the Group increased to 14.3% in 1993 from 13.1% in 1992 principally because of volume-related profit improvements at Stripit.

Other expense totaled \$.8 million in 1993 as compared with \$.3 million of other income recorded in 1992 principally because of higher goodwill amortization expense in 1993 resulting from acquisitions made during 1992 (Viking Pump of Canada, Pulsafeeder and Johnson Pump) and lower royalty income in 1993.

Interest expense decreased to \$11.0 million in 1993 from \$12.2 million in 1992 because of a lower interest rate on the \$75 million 9-3/4% Senior Subordinated Notes, issued in September 1992, and lower borrowings and reduced interest rates under the Company's Credit Agreement.

The provision for income taxes increased to \$13.0 million in 1993 from \$10.8 million in 1992. The effective tax rate decreased to 33.9% in 1993 from 35.0% in 1992 due to 1993 tax code changes which provided for, among other things, an increase in the corporate federal income tax rate to 35% from 34%, the effect of which was more than offset by a corporate income tax deduction for amortization of goodwill on a 1992 acquisition which previously was not deductible.

Net income of \$25.3 million in 1993 was 26% higher than income before extraordinary items and cumulative effect of changes in accounting principles of \$20.1 million in 1992. Net income in 1992 was \$16.7 million after IDEX recognized a \$5.0 million after-tax extraordinary loss from the in-substance defeasance of 15-3/8% Senior Subordinated Debentures, and a charge of \$3.9 million for the cumulative effect of adopting Statement of Financial Accounting Standards Board (SFAS) No.106, "Accounting for Postretirement Benefits Other Than Pensions," offset by a gain of \$5.4 million for the cumulative effect of adopting SFAS No. 109, "Accounting for Income Taxes."

Earnings per common share of \$1.31 in 1993 were 23% higher than earnings per share before extraordinary items and cumulative effect of changes in accounting principles of \$1.06 in 1992. Earnings per common share after extraordinary items and cumulative effect of changes in accounting principles in 1992 were \$.88. There were 2% more weighted average shares outstanding in 1993 than in 1992.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 1994, IDEX's working capital was \$82.0 million and its current ratio was 2.2 to 1. Internally generated funds were adequate to fund capital expenditures of \$8.9 million, \$7.8 million and \$8.2 million for 1994, 1993, and 1992, respectively. These expenditures were generally for machinery and equipment which improved productivity, although a portion was for repair and replacement of equipment and facilities. Management believes that IDEX has ample capacity in its plant and equipment to meet expected needs for future growth in the intermediate term. During 1994, 1993, and 1992, depreciation and amortization expense, excluding amortization of debt issuance expenses, was \$13.7 million, \$11.3 million, and \$9.7 million, respectively.

In connection with the acquisition of Hale Products, the Credit Agreement was amended on May 23, 1994 to provide for an additional \$50 million of availability and an improved interest rate structure. IDEX borrowed approximately \$92 million under the Credit Agreement to finance the acquisition of Hale Products. At December 31, 1994, the maximum amount available under the Credit Agreement was \$150 million, of which \$90 million was being used. The availability under the Credit Agreement declines in stages commencing December 31, 1995 to \$100 million on December 31, 1997. Any amount outstanding at June 30, 1999 becomes due at that date. Interest is payable quarterly on the outstanding balance at the Bank Agent's reference rate plus 25 basis points, or at rates applicable to certain dollar deposits in the interbank Eurodollar market plus 125 basis points.

NET SALES BY OPERATING GROUP

[CHART]

In December 1994, the Company's Board of Directors authorized a three-for-two common stock split and approved a quarterly cash dividend on common shares. The cash dividend on the post-split shares was initially set at 14 cents per common share per calendar quarter with the first dividend to be paid at the end of January 1995.

IDEX believes it will generate sufficient cash flow from operations to meet its operating requirements, scheduled amortization payments under the Credit Agreement, interest and principal payments on the Senior Subordinated Notes, approximately \$14 million of planned capital expenditures in 1995 and approximately \$11 million of annual dividend payments to holders of common stock. From commencement of operations in January 1988 until December 31, 1994, IDEX has borrowed \$207 million under the Credit Agreement to complete seven acquisitions. During this same period, IDEX generated, principally from operations, cash flow of \$207 million to reduce its indebtedness. In the event that suitable businesses or assets are available for acquisition by IDEX upon terms acceptable to the Board of Directors, IDEX may obtain all or a portion of the financing for the acquisitions through the incurrence of additional long-term indebtedness.

PROFITS BY OPERATING GROUP

[CHART]

IDEX CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands except share and per share amounts)

As of December 31,	1994	1993
	-----	-----
ASSETS		
Current assets		
Cash and cash equivalents.....	\$ 6,288	\$ 3,513
Receivables--net.....	59,392	43,318
Inventories	78,105	60,973
Deferred taxes	6,304	6,602
Other current assets	1,268	1,060
	-----	-----
Total current assets	151,357	115,466
Property, plant and equipment--net.....	66,241	53,525
Intangible assets--net	148,834	84,772
Other noncurrent assets	4,664	5,204
	-----	-----
Total assets	\$371,096	\$258,967
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade accounts payable	\$ 34,558	\$ 21,405
Dividends payable	2,671	
Accrued expenses.....	32,121	21,235
	-----	-----

Total current liabilities.....	69,350	42,640
Long-term debt	168,166	117,464
Other noncurrent liabilities.....	17,275	15,177
	-----	-----
Total liabilities.....	254,791	175,281
	-----	-----
Shareholders' equity		
Common stock, par value \$.01 per share		
Shares authorized -- 50,000,000		
Shares issued and outstanding		
1994 -- 19,078,671		
1993 -- 19,052,382	191	191
Additional paid-in capital.....	84,943	84,649
Retained earnings	33,490	2,551
Accumulated translation adjustment.....	(2,319)	(3,705)
	-----	-----
Total shareholders' equity.....	116,305	83,686
	-----	-----
Total liabilities and shareholders' equity.....	\$371,096	\$258,967
	=====	=====

See Notes to Consolidated Financial Statements.

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IDEX CORPORATION AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED OPERATIONS
(In thousands except per share amounts)

For the years ended December 31,	1994	1993	1992
	-----	-----	-----
Net sales	\$399,502	\$308,638	\$277,129
Cost of sales	246,858	190,286	171,152
	-----	-----	-----
Gross profit.....	152,644	118,352	105,977
Selling, general and administrative expenses.....	83,980	68,217	63,123
	-----	-----	-----
Income from operations	68,664	50,135	42,854
Other income (expense)--net.....	(2,567)	(830)	308
	-----	-----	-----
Income before interest, income taxes, extraordinary items and cumulative effect of changes in accounting principles.....	66,097	49,305	43,162
Interest expense.....	13,581	11,007	12,178
	-----	-----	-----
Income before income taxes, extraordinary items and cumulative effect of changes in accounting principles.....	52,516	38,298	30,984
Provision for income taxes.....	18,906	12,972	10,838
	-----	-----	-----
Income before extraordinary items and cumulative effect of changes in accounting principles.....	33,610	25,326	20,146
Extraordinary items			
Loss from in-substance defeasance of debt, net of tax			(4,958)
Cumulative effect of changes in accounting principles			
Postretirement benefits, net of tax ...			(3,879)
Income taxes.....			5,396
	-----	-----	-----
Net income.....	\$ 33,610	\$ 25,326	\$ 16,705
	=====	=====	=====
Earnings per common share			
Income before extraordinary items and cumulative effect of changes in accounting principles.....	\$ 1.72	\$ 1.31	\$ 1.06
Extraordinary items			
Loss from in-substance defeasance of debt, net of tax			(.26)
Cumulative effect of changes in accounting principles			
Postretirement benefits, net of tax ..			(.21)
Income taxes.....			.29
	-----	-----	-----
Net income.....	\$ 1.72	\$ 1.31	\$.88

	=====	=====	=====
Weighted average common shares outstanding	19,554	19,317	18,926
	=====	=====	=====

See Notes to Consolidated Financial Statements.

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IDEX CORPORATION AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED SHAREHOLDERS' EQUITY
(In thousands except share and per share amounts)

	Common Stock and Additional Paid-In Capital	Earnings (Accumulated Deficit)	Retained Accumulated Translation Adjustment	Total Shareholders' Equity
	-----	-----	-----	-----
Balance, December 31, 1991.....	\$76,524	\$(39,480)	\$ 68	\$ 37,112
Issuance of 112,500 shares of common stock related to an acquisition	1,594			1,594
Exchange of equity appreciation rights for stock options.....	6,247			6,247
Unrealized translation adjustment			(2,927)	(2,927)
Net income.....		16,705		16,705
	-----	-----	-----	-----
Balance, December 31, 1992.....	84,365	(22,775)	(2,859)	58,731
Issuance of 150,431 shares of common stock from exercise of stock options....	475			475
Unrealized translation adjustment			(846)	(846)
Net income.....		25,326		25,326
	-----	-----	-----	-----
Balance, December 31, 1993.....	84,840	2,551	(3,705)	83,686
Issuance of 26,289 shares of common stock from exercise of stock options....	294			294
Cash dividends declared -- \$.14 per common share outstanding		(2,671)		(2,671)
Unrealized translation adjustment			1,386	1,386
Net income.....		33,610		33,610
	-----	-----	-----	-----
Balance, December 31, 1994.....	\$85,134	\$ 33,490	\$(2,319)	\$116,305
	=====	=====	=====	=====

See Notes to Consolidated Financial Statements.

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IDEX CORPORATION AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED CASH FLOWS

(In thousands)

For the years ended December 31,	1994	1993	1992
	-----	-----	-----

Cash flows from operating activities			
Net income.....	\$ 33,610	\$ 25,326	\$ 16,705
Adjustments to reconcile net income to net cash flows from operating activities			
Depreciation and amortization.....	9,671	8,455	7,350
Amortization of intangibles.....	4,025	2,803	2,347
Amortization of debt issuance expenses.....	619	640	879
Extraordinary loss from defeasance of debt Cumulative effect of changes in accounting principles			4,958
Increase in receivables.....	(7,611)	(1,690)	(1,517)
(Increase) decrease in inventories.....	415	4,599	(1,067)
Increase (decrease) in trade accounts payable.....	8,292	(150)	(3,254)
Increase (decrease) in accrued expenses.....	141	(671)	2,099
(Increase) decrease in deferred taxes.....	2,711	4,714	(1,332)
Other transactions--net.....	654	246	(1,575)
	-----	-----	-----
Net cash flows from operating activities	52,527	44,272	27,868
	-----	-----	-----
Cash flows from investing activities			
Additions to property, plant and equipment	(8,896)	(7,822)	(8,231)
Acquisition of businesses (net of cash acquired).....	(91,558)	(12,306)	(84,373)
	-----	-----	-----
Net cash flows from investing activities	(100,454)	(20,128)	(92,604)
	-----	-----	-----
Cash flows from financing activities			
Net borrowings (repayments) under the Credit Agreement	50,000	(22,500)	50,500
Increase (decrease) in accrued interest.....	702	137	(30)
Payment of deferred financing costs		(638)	(2,600)
Defeasance of 15-3/8% Senior Subordinated Debentures			(57,250)
Proceeds from issuance of 9-3/4% Senior Subordinated Notes.....			75,000
	-----	-----	-----
Net cash flows from financing activities.....	50,702	(23,001)	65,620
	-----	-----	-----
Net increase in cash.....	2,775	1,143	884
Cash and cash equivalents at beginning of year..	3,513	2,370	1,486
	-----	-----	-----
Cash and cash equivalents at end of year.....	\$ 6,288	\$ 3,513	\$ 2,370
	=====	=====	=====

See Notes to Consolidated Financial Statements.

IDEX CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(In thousands except share and per share amounts)

1. ORGANIZATION AND ACQUISITION

Pursuant to the requirements of the Securities and Exchange Commission, the January 22, 1988 acquisition of the initial six businesses comprising IDEX Corporation ("IDEX" or the "Company") was not accounted for as a purchase transaction. Consequently, the accounting for the acquisition does not reflect any adjustment of the carrying value of the assets and liabilities to their fair values at the time of the acquisition. Accordingly, the total shareholders' equity of IDEX at December 31, 1994, 1993 and 1992 includes a charge of \$96.5 million which represents the excess of the purchase price over the book value of the subsidiaries purchased at the date of the acquisition.

2. SIGNIFICANT ACCOUNTING POLICIES

BUSINESS

The Company operates principally as a manufacturer of fluid handling devices and industrial products.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the Company and its subsidiaries. Significant intercompany transactions and accounts have been eliminated.

CASH EQUIVALENTS

For purposes of the Statements of Consolidated Cash Flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

INVENTORIES

Inventories are stated at the lower of cost or market. Cost, which includes labor, material and factory overhead, is determined on the first-in, first-out ("FIFO") basis or the last-in, first-out ("LIFO") basis, as described in Note 4.

INTANGIBLE ASSETS

Identifiable intangible assets are being amortized over their estimated useful lives using the straight-line method. The cost in excess of net assets acquired is being amortized on a straight-line basis over a period of 40 years.

DEBT EXPENSES

Expenses incurred in securing and issuing long-term debt are being amortized over the life of the related debt.

EARNINGS PER COMMON SHARE

Earnings per common share is computed by dividing net income by the weighted average number of shares of common stock and common stock equivalents outstanding during the year. Common stock equivalents, in the form of stock options, have been included in the calculation of weighted average shares outstanding using the treasury stock method. All share and per share amounts have been restated for the three-for-two stock split effected in the form of a stock dividend in January 1995.

DEPRECIATION

Depreciation is recorded using the straight-line method. The estimated useful lives used in the computation of depreciation generally are as follows:

Land improvements.....	10 to 12 years
Buildings and improvements.....	3 to 30 years
Machinery and equipment, tooling, and engineering drawings	3 to 12 years
Office equipment, mobile equipment and motor vehicles	3 to 12 years

3. SUPPLEMENTAL CASH FLOW INFORMATION

A summary of annual supplemental cash flow information follows:

	1994 ----	1993 ----	1992 ----
Cash paid			
Interest.....	\$ 12,007	\$ 9,993	\$ 12,208
Income taxes.....	16,608	7,778	10,494
Noncash investing activities			
Liabilities assumed in connection with acquisition of businesses			

Fair value of assets acquired	\$ 47,187	\$ 6,659	\$ 44,045
Cost in excess of net assets acquired	63,069	9,303	53,815
Cash paid.....	(91,558)	(12,306)	(84,373)
Common stock issued in connection with acquisitions.....			(1,594)
	-----	-----	-----
Liabilities assumed.....	\$ 18,698	\$ 3,656	\$ 11,893
	=====	=====	=====

4. BALANCE SHEET COMPONENTS

The components of inventories as of December 31, 1994 and 1993 were:

	1994	1993
	----	----
Inventories		
Raw materials and supplies.....	\$ 9,430	\$ 8,498
Work in process.....	10,648	7,018
Finished goods.....	58,027	45,457
	-----	-----
Total.....	\$ 78,105	\$ 60,973
	=====	=====

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Those inventories which were carried on a LIFO basis amounted to \$41,499 and \$25,874 at December 31, 1994 and 1993, respectively. The excess of current cost over LIFO inventory value and the impact on earnings of using the LIFO method are not material.

The components of certain other balance sheet accounts as of December 31, 1994 and 1993 were:

	1994	1993
	-----	-----
Receivables		
Customers.....	\$ 60,409	\$ 43,913
Other.....	805	579
	-----	-----
Total	61,214	44,492
Less allowance for doubtful accounts.....	1,822	1,174
	-----	-----
Receivables--net	\$ 59,392	\$ 43,318
	=====	=====
Property, plant and equipment, at cost		
Land and improvements.....	\$ 4,685	\$ 3,224
Buildings and improvements	36,173	30,995
Machinery and equipment	119,694	108,166
Engineering drawings.....	9,387	10,105
Office equipment	12,382	9,450
Mobile equipment and motor vehicles	2,256	1,793
Construction in progress.....	2,805	1,585
	-----	-----
Total	187,382	165,318
Less accumulated depreciation and amortization	121,141	111,793
	-----	-----
Property, plant and equipment--net...	\$ 66,241	\$ 53,525
	=====	=====
Intangible assets		
Cost in excess of net assets acquired.....	\$151,394	\$ 87,471
Other.....	20,896	16,719
	-----	-----
Total.....	172,290	104,190

Less accumulated amortization.....	23,456	19,418
	-----	-----
Intangible assets--net.....	\$148,834	\$ 84,772
	=====	=====
Accrued expenses		
Accrued payroll and related items.....	\$ 15,573	\$ 10,193
Accrued taxes.....	4,572	5,031
Accrued insurance.....	2,141	1,652
Other accrued liabilities	9,835	4,359
	-----	-----
Total.....	\$ 32,121	\$ 21,235
	=====	=====
Other noncurrent liabilities		
Retiree medical reserve.....	\$ 9,874	\$ 9,402
Lease obligations.....	2,559	2,422
Other noncurrent liabilities.....	4,842	3,353
	-----	-----
Total	\$ 17,275	\$ 15,177
	=====	=====

5. LEASE COMMITMENTS

At December 31, 1994, total minimum rental payments under noncancellable operating leases, primarily for office facilities, warehouses and data processing equipment, were \$18.5 million. The future minimum rental commitments for each of the next five years ending December 31 are payable as follows: 1995 - \$3.8 million; 1996 - \$3.1 million; 1997 - \$2.5 million; 1998 - \$1.6 million; 1999 - \$1.3 million; thereafter - \$6.2 million.

Rental expense totaled \$4.4 million, \$4.0 million and \$3.5 million for the years ended December 31, 1994, 1993 and 1992, respectively.

6. RETIREMENT BENEFITS

The Company has a number of noncontributory defined benefit and defined contribution pension plans covering substantially all employees, other than certain bargaining unit employees who participate in a multiemployer pension plan. The defined benefit plans covering salaried employees provide pension benefits that are based on compensation over an employee's full career. The defined benefit plans covering hourly employees and bargaining unit members generally provide benefits of stated amounts for each year of service. The Company's funding policy for these plans is to fund benefits as accrued within the minimum and maximum limitations of the Internal Revenue Code. The defined contribution plans provide for annual contributions to individuals' accounts. The level of the contribution is generally a percent of salary based on age and years of service.

Pension costs for the years ended December 31, 1994, 1993 and 1992 included the following components:

	1994	1993	1992
	-----	-----	-----
Service cost--benefits earned during the period.....	\$ 2,075	\$ 1,573	\$ 1,235
Interest cost on projected benefit obligation.....	2,685	2,335	2,127
Actual return on assets.....	1,621	(3,768)	(2,096)
Net amortization and deferral	(4,276)	1,330	(65)
	-----	-----	-----
Net periodic pension cost	2,105	1,470	1,201
Contributions to multiemployer plan, defined contribution plans and other.....	2,495	1,595	1,484
	-----	-----	-----
Total pension costs.....	\$ 4,600	\$ 3,065	\$ 2,685
	=====	=====	=====

Assumptions used in accounting for pension costs at December 31, were:

Assumed discount rate	8.5%	7.5%	8.5%
Assumed rate of compensation increase for salaried plans	4.0%	4.0%	5.0%
Expected rate of return on plan assets	8.0%	8.0%	8.0%

The funded status of the defined benefit plans and amounts recognized in the Company's consolidated balance sheets at December 31, 1994 and 1993 are presented below:

	ASSETS EXCEED ACCUMULATED BENEFITS -----	ACCUMULATED BENEFITS EXCEED ASSETS -----
DECEMBER 31, 1994		
Actuarial present value of benefit obligations		
Vested benefit obligation.....	\$23,891	\$ 4,323
	=====	=====
Accumulated benefit obligation.....	\$25,775	\$ 4,731
	=====	=====
Projected benefit obligation.....	\$30,258	\$ 4,851
Plan assets at fair value (1).....	30,013	2,870
	-----	-----
Projected benefit obligation in excess of plan assets.....	(245)	(1,981)
Prior service cost not yet recognized.....	2,084	227
Unrecognized net obligation at July 31, 1985 (2).....	(1,515)	(329)
Unrecognized net (gain) loss.....	(436)	661
	-----	-----
Pension liability.....	\$ (112)	\$ (1,422)
	=====	=====
DECEMBER 31, 1993		
Actuarial present value of benefit obligations		
Vested benefit obligation.....	\$23,632	\$ 4,472
	=====	=====
Accumulated benefit obligation.....	\$25,056	\$ 4,888
	=====	=====
Projected benefit obligation.....	\$30,237	\$ 4,888
Plan assets at fair value (1).....	30,104	2,952
	-----	-----
Projected benefit obligation in excess of plan assets.....	(133)	(1,936)
Prior service cost not yet recognized.....	2,043	168
Unrecognized net obligation at July 31, 1985 (2).....	(1,736)	(388)
Unrecognized net (gain) loss.....	(2)	630
	-----	-----
Pension asset (liability).....	\$ 172	\$ (1,526)
	=====	=====

- (1) Primarily listed stocks and publicly traded fixed income securities.
(2) Amortized by plan over the greater of the average remaining service period of the employee workforce or 15 years.

7. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Company and certain subsidiaries provide health care and life insurance benefits to certain retired employees, their covered dependents and beneficiaries. Effective January 1, 1992, the Company adopted SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," for its retiree benefit plans. Under SFAS No. 106, the Company is required to accrue the estimated cost of such retiree benefit payments during the employee's active service period. Prior to 1992, the Company expensed the cost of these benefits, principally health care, as they were paid. On January 1, 1992, the Company reduced net income by \$3.9 million (net of the related income tax benefit of \$2.4 million) or \$.21 per share to reflect the cumulative effect of the change in accounting principle for periods prior to 1992.

Net periodic postretirement expense for 1994, 1993 and 1992 includes the following components:

	1994 ----	1993 ----	1992 ----
Service cost-benefits earned during the period.....	\$341	\$ 319	\$263
Interest cost on accumulated postretirement benefit obligation	655	739	654

Net amortization and deferral	(66)	(4)	----
Total cost.....	\$930	\$1,054	\$917
	=====	=====	=====

The Company's postretirement benefit plans are not funded. The accumulated postretirement benefit obligation (APBO) of the plans at December 31, 1994 and 1993 is as follows:

	1994	1993
	----	----
Retirees	\$2,950	\$ 3,708
Fully eligible active participants.....	828	1,908
Other active participants	3,942	5,012
	-----	-----
Total APBO	7,720	10,628
Unrecognized net gain (loss).....	2,154	(1,226)
	-----	-----
Accrued postretirement health care costs.....	\$9,874	\$ 9,402
	=====	=====

For measurement purposes, a 14% annual rate of increase in the cost of covered health care benefits was assumed for 1992, gradually declining to 6% by the year 2008 and remaining at that level thereafter. The health care trend rate assumption has a significant effect on the amount of the obligation and the net periodic cost reported. An increase or decrease of the trend rate of 1% would change the accumulated postretirement benefit obligation as of December 31, 1994 by \$1.1 million and the net periodic cost for this year by \$.2 million. The assumed discount rate used in determining the accumulated postretirement benefit obligation was 8.5% in 1994 and 7.5% in 1993.

8. LONG-TERM DEBT

Long-term debt at December 31, 1994 and 1993 consisted of the following:

	1994	1993
	----	----
Bank revolving credit facility, including accrued interest.....	\$ 93,166	\$ 42,464
9-3/4% Senior Subordinated Notes	75,000	75,000
	-----	-----
Long-term debt	\$168,166	\$117,464
	=====	=====

BANK REVOLVING CREDIT FACILITY

In May 1994, the bank revolving credit facility (the "Credit Agreement") was amended to provide for an additional \$50 million of availability and an improved interest rate structure. IDEX borrowed approximately \$91.6 million under the Credit Agreement to finance the acquisition of Hale Products, Inc. (see Note 13).

The availability under the Credit Agreement declines in stages commencing December 31, 1995 from a maximum of \$150 million to \$100 million at December 31, 1997. Any amount outstanding at June 30, 1999 becomes due at that date. At December 31, 1994, \$90 million of the maximum availability was being used. Interest on the outstanding borrowings under the Credit Agreement is payable quarterly at a rate based on the prime lending rate plus 1/4% or, at the

Company's election, at a rate based on LIBOR plus 1-1/4% per annum. Interest based on LIBOR is payable on the last day of the applicable interest period and, if such period exceeds three months, quarterly during such period. The weighted average interest rate on outstanding borrowings under the Credit Agreement was 7-1/4% at December 31, 1994. A commitment fee equal to 1/4% per annum is payable quarterly on any unutilized portion under the Credit Agreement. Loan origination fees totaling approximately \$2 million are being amortized over the term of the Credit Agreement.

Total long-term debt outstanding at December 31, 1994 and 1993 included \$3.2 million and \$2.5 million, respectively, of accrued interest, as interest is paid through further borrowings under the Credit Agreement.

Borrowings under the Credit Agreement are guaranteed, jointly and severally, by certain of the Company's subsidiaries and secured by a pledge of their stock and intercompany notes.

9-3/4% SENIOR SUBORDINATED NOTES AND IN-SUBSTANCE DEFEASANCE

In September 1992, the Company sold publicly \$75 million of Senior Subordinated Notes ("Notes") due 2002. The Notes are jointly and severally guaranteed by certain of the subsidiaries of the Company and are subordinated to the Credit Agreement. Interest is payable semiannually at the rate of 9-3/4% per annum. The Notes are payable in annual installments of \$18.75 million commencing in 2000 and are redeemable at various premiums by the Company commencing in 1997. At December 31, 1994, the fair market value of the Notes is approximately \$75 million based on the quoted market price.

In 1992, the Company recognized a \$5.0 million extraordinary loss (net of related income tax benefit of approximately \$2.8 million) from the in-substance defeasance of the formerly outstanding \$50 million 15-3/8% Senior Subordinated Debentures.

Interest expense included \$.6 million, \$.6 million and \$.9 million for the years ended December 31, 1994, 1993 and 1992, respectively, for amortization of debt issuance expenses.

The Credit Agreement and the Indenture for the Notes permit the payment of cash dividends only to the extent that no default exists under such agreements and limit the amount of such dividends in accordance with specified formulas. At December 31, 1994, cash available for dividends on common stock for 1995 is limited to approximately \$29.5 million under the most restrictive of these provisions.

9. COMMON AND PREFERRED STOCK

On December 12, 1994, the Company's Board of Directors authorized a three-for-two stock common split effected in the form of a 50% stock dividend payable on January 31, 1995 to shareholders of record on January 17, 1995. Par value of common stock remained at \$.01 per share. Shareholders' equity has been restated to give retroactive recognition to the stock split for all periods presented by reclassifying from additional paid-in capital to common stock the par value of the additional shares arising from the split. All references in the financial statements to number of shares, per share amounts, and market prices of the Company's common stock have been restated.

On December 12, 1994, the Company's Board of Directors approved its initial quarterly cash dividend of \$.14 per post-split common share payable January 31, 1995, to shareholders of record on January 17, 1995.

At December 31, 1994 and 1993, the Company had five million shares of preferred stock authorized but unissued.

10. STOCK OPTIONS

The Company has stock option plans providing for the grant of options to purchase common shares to outside directors, executives and certain key employees. The Compensation Committee of the Board of Directors administers the

plans and approves stock option grants. Stock options granted under the plans are exercisable at a price equal to the market value of the stock at the date of grant. The options become exercisable from two to five years from the date of grant and generally expire 10 years from the date of grant. The following table summarizes option activity under the plans:

	NUMBER OF OPTIONS	OPTION PRICE PER SHARE
	-----	-----
Outstanding at December 31, 1991.....	22,500	\$7.58-8.51
Granted	622,950	.09-13.52

Outstanding at December 31, 1992.....	645,450	.09-13.52
Granted	427,650	15.03-18.58
Exercised	(150,431)	.09
Forfeited.....	(45,150)	9.33-18.58

Outstanding at December 31, 1993..	877,520	.09-18.58
Granted	291,825	23.23-26.42
Exercised	(26,289)	.09-18.58
Forfeited.....	(58,080)	9.33-26.42

Outstanding at December 31,1994.....	1,084,976	.09-26.42
	=====	
Exercisable at December 31, 1994.....	417,071	.09-18.58
	=====	
Available for grant at		
December 31, 1994.....	703,305	
	=====	

11. BUSINESS SEGMENTS AND GEOGRAPHIC INFORMATION

The Company is a manufacturer of a wide array of proprietary, engineered products, including industrial pumps and controls, fire-fighting pumps and rescue equipment, stainless steel banding, clamping and sign-mounting devices, sheet metal fabricating equipment and tooling, automatic lubrication systems, small horsepower compressors, and energy absorption equipment. These activities are grouped into two business segments: Fluid Handling and Industrial Products. There were no material sales to any single customer.

Segment information for the years ended December 31,1994, 1993 and 1992 is presented under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Information about the Company's operations in different geographical regions for the three years ended December 31, 1994, 1993 and 1992 is shown

below. The Company's primary areas of operation outside the United States include North America, Europe and the Far East.

	1994 -----	1993 -----	1992 -----
Sales			
North America.....	\$342,695	\$280,413	\$253,300
Europe.....	52,323	24,241	21,501
Other.....	4,484	3,984	2,328
	-----	-----	-----
Total.....	\$399,502 =====	\$308,638 =====	\$277,129 =====
Income from operations			
North America.....	\$ 60,251	\$ 45,768	\$ 38,252
Europe	7,434	3,999	4,176
Other.....	979	368	426
	-----	-----	-----
Total.....	\$ 68,664 =====	\$ 50,135 =====	\$ 42,854 =====
Identifiable assets			
North America.....	\$315,219	\$224,717	\$235,554
Europe	53,580	31,583	15,305
Other.....	2,297	2,667	2,441
	-----	-----	-----
Total	\$371,096 =====	\$258,967 =====	\$253,300 =====

Export sales from the United States for the years ended December 31, 1994, 1993 and 1992 were to the following geographical areas:

	1994 -----	1993 -----	1992 -----
North America.....	\$ 21,911	\$ 13,035	\$ 13,117
Europe	8,068	7,341	10,548
Far East	12,347	14,311	11,028
Other.....	21,422	14,625	13,024
	-----	-----	-----
Total.....	\$ 63,748 =====	\$ 49,312 =====	\$ 47,717 =====

12. INCOME TAXES

Income taxes are provided based on the liability method of accounting pursuant to SFAS No. 109, "Accounting for Income Taxes." The adoption of SFAS No. 109, effective January 1, 1992, increased net income by \$5.4 million or \$.29 per share for the cumulative effect of the accounting change.

Pretax income for the years ended December 31, 1994, 1993 and 1992 was taxed under the following jurisdictions:

	1994 -----	1993 -----	1992 -----
Domestic.....	\$45,263	\$34,811	\$26,828
Foreign.....	7,253	3,487	4,156
	-----	-----	-----
Total	\$52,516 =====	\$38,298 =====	\$30,984 =====

The provision for income taxes for the years ended December 31, 1994, 1993 and 1992 was as follows:

	1994	1993	1992
	-----	-----	-----
Current			
United States.....	\$13,007	\$ 6,805	\$ 8,362
State and local.....	841	623	847
Foreign.....	2,550	885	965
	-----	-----	-----
Total current	16,398	8,313	10,174
	-----	-----	-----
Deferred			
United States.....	2,579	4,224	427
State and local.....	537	346	(8)
Foreign.....	(608)	89	245
	-----	-----	-----
Total deferred	2,508	4,659	664
Total provision for	-----	-----	-----
income taxes	\$18,906	\$12,972	\$10,838
	=====	=====	=====

Deferred (prepaid) income taxes result from the following temporary differences:

	1994	1993	1992
	-----	-----	-----
Employee and retiree			
benefit plans	\$ 61	\$ 185	\$ (1,249)
Depreciation and amortization.....	1,284	1,552	(85)
Net operating loss			
and credit carryovers.....	243	1,049	1,106
Inventories	636	(1,050)	986
Allowances and accruals.....	(262)	426	10
Financing	1,041	2,733	
Other.....	(495)	(236)	(104)
	-----	-----	-----
Total deferred tax provision.....	\$ 2,508	\$ 4,659	\$ 664
	=====	=====	=====

Deferred tax assets and (liabilities) are comprised of the following at December 31, 1994 and 1993:

	1994	1993
	-----	-----
Employee and retiree benefit plans.....	\$ 6,937	\$ 6,778
Depreciation and amortization.....	(7,915)	(3,793)
Net operating loss and credit carryovers	425	668
Inventories	153	1,587
Allowances and accruals.....	6,453	2,550
Financing.....	(498)	(557)
Other.....	4	(846)
	-----	-----
Total.....	\$ 5,559	\$ 6,387
	=====	=====

The total income tax provision differed from the amount computed by applying the statutory federal income tax rate to pretax income. The computed

amount and the differences for the years ended December 31, 1994, 1993 and 1992 were as follows:

	1994 -----	1993 -----	1992 -----
Pretax income.....	\$ 52,516	\$ 38,298	\$ 30,984
Income tax provision			
Computed amount			
at statutory rate of			
35% in 1994 and 1993 and			
34% in 1992.....	\$ 18,381	\$ 13,404	\$ 10,535
Foreign sales corporation.....	(657)	(470)	(617)
Amortization of cost in			
excess of net			
assets acquired.....	728	263	488
State and local			
income tax.....	1,378	969	839
Other--net.....	(924)	(1,194)	(407)
Total income tax			
provision.....	\$ 18,906	\$ 12,972	\$ 10,838

No provision has been made for U.S. or additional foreign taxes on \$11.1 million of undistributed earnings of foreign subsidiaries, which are permanently reinvested. It is not practicable to estimate the amount of additional tax which might be payable if these earnings were repatriated. However, the Company believes that U.S. foreign tax credits would, for the most part, eliminate any additional U.S. tax and offset any additional foreign tax.

13. ACQUISITIONS

On May 26, 1994, IDEX purchased all of the outstanding shares of common stock of Hale Products, Inc. ("Hale"), a leading manufacturer of fire-fighting pumps and rescue tools. The purchase price of the acquisition including stock purchase, debt assumption and transaction fees, was approximately \$91.6 million net of cash acquired. The purchase was financed through borrowings under the Company's bank revolving credit facility. The excess of the purchase price over the fair value of the net assets acquired of \$63.1 million is being amortized over 40 years. The acquisition was accounted for by the purchase method of accounting.

The unaudited pro forma consolidated results of operations of IDEX for the years ended December 31, 1994 and 1993, reflecting the allocations of the purchase price and related financing of the transaction, would have been as follows (in thousands except per share amounts), assuming that the Hale acquisition had occurred at the beginning of each of the respective years.

	1994 -----	1993 -----
Net sales.....	\$422,088	\$377,506
Income before extraordinary items ..	31,466	19,204
Net income	31,466	18,465
Earnings per common share		
Income before extraordinary items..	1.61	.99
Net income	1.61	.96

The 1993 pro forma consolidated net income includes a one-time charge to write-off unrecoverable goodwill from Hale's prior acquisition of a subsidiary. The 1993 pro forma net income and earnings per common share would have been \$26,703 and \$1.38, respectively, without this nonrecurring charge.

Hale's financial performance for the period January 1 to May 25, 1994, prior to acquisition by IDEX, was adversely affected by several factors. Customarily, Hale's shipments are stronger in the second half of a calendar year than the first half due to the purchasing practices of customers in industries that it serves. In 1994, shipments were further reduced by production curtailments at the Conshohocken facilities because of severe winter weather and

unexpected facility repairs at its foundry. In addition, Hale was in the process of moving production of certain products between its Conshohocken, Pennsylvania and St. Joseph, Tennessee facilities during this period, which created temporary inefficiencies and loss of overhead absorption. Higher than normal selling, general and administrative expenses were incurred during this period due to Hale's participation in a major international fire and rescue trade show which is held every six years in Germany. During this period, order activity remained strong as sales backlogs increased by \$5.5 million.

14. QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

The following is a summary of the unaudited quarterly results of operations for the years ended December 31, 1994 and 1993 (in thousands except per share amounts):

	Quarter			
	First	Second	Third	Fourth
DECEMBER 31, 1994				
Net sales	\$85,874	\$93,559	\$106,975	\$113,094
Gross profit	33,390	36,157	40,635	42,462
Net income.....	7,347	8,178	8,850	9,235
Earnings per common share	\$.38	\$.42	\$.45	\$.47
Weighted average shares	19,551	19,563	19,583	19,598
DECEMBER 31, 1993				
Net sales.....	\$73,551	\$ 78,052	\$77,726	\$ 79,309
Gross profit	27,721	30,159	29,678	30,794
Net income.....	4,879	6,460	6,767	7,220
Earnings per common share	\$.25	\$.33	\$.35	\$.37
Weighted average shares.....	19,416	19,421	19,472	19,446

Independent Auditors' Report

To the Board of Directors and Shareholders of IDEX Corporation

We have audited the accompanying consolidated balance sheets of IDEX Corporation and its subsidiaries as of December 31, 1994 and 1993 and the related statements of consolidated operations, of consolidated shareholders' equity, and of consolidated cash flows for each of the three years in the period ended December 31, 1994. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries at December 31, 1994 and 1993 and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1994 in

conformity with generally accepted accounting principles.

/s/ DELOITTE & TOUCHE LLP
DELOITTE & TOUCHE LLP
Chicago, Illinois

January 16, 1995

Management Report

IDEX Corporation's management is responsible for the fair presentation and consistency of all financial data included in this Annual Report in accordance with generally accepted accounting principles. Where necessary, the data reflect management's best estimates and judgments.

Management also is responsible for maintaining a system of internal accounting controls with the objectives of providing reasonable assurance that IDEX's assets are safeguarded against material loss from unauthorized use or disposition and that authorized transactions are properly recorded to permit the preparation of accurate financial data. Cost-benefit judgments are an important consideration in this regard. The effectiveness of internal controls is maintained by: (1) personnel selection and training; (2) division of responsibilities; (3) establishment and communication of policies; and (4) ongoing internal review programs and audits. Management believes that IDEX's system of internal controls as of December 31, 1994 is effective and adequate to accomplish the above described objectives.

/s/ Donald N. Boyce
Donald N. Boyce
Chairman of the Board, President and Chief Executive Officer

/s/ Frank J. Hansen
Frank J. Hansen
Senior Vice President - Operations

/s/ Wayne P. Sayatovic
Wayne P. Sayatovic
Senior Vice President - Finance, Chief Financial Officer and Secretary

Northbrook, Illinois
January 16, 1995

Business Units

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President

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RODNEY L. USHER
President

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WADE H. ROBERTS, JR.
President

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DAVID A. FIX
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RALPH N. YORIO
President

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Managing Director

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THOMAS G. HOAG
President

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Corporate Officers and Directors

CORPORATE OFFICERS

DONALD N. BOYCE
Chairman of the Board,
President and Chief
Executive Officer

JERRY N. DERCK
Vice President-
Human Resources

[PHOTO]

WAYNE P. SAYATOVIC
Senior Vice President-
Finance, Chief Financial
Officer and Secretary

MARK W. BAKER
Vice President-
Group Executive

WADE H. ROBERTS, JR.
Vice President-
Group Executive

FRANK J. HANSEN
Senior Vice President-
Operations

DIRECTORS

DONALD N. BOYCE (circle)
Chairman of the Board,
President and Chief
Executive Officer
IDEX Corporation
Northbrook, Illinois

RICHARD E. HEATH
Partner
Hodgson, Russ, Andrews,
Woods & Goodyear
Buffalo, New York

HENRY R. KRAVIS (triangle)
General Partner
Kohlberg Kravis Roberts & Co.
New York, New York

WILLIAM H. LUERS (diamond)
President
Metropolitan Museum of Art
New York, New York

PAUL E. RAETHER
General Partner
Kohlberg Kravis Roberts & Co.
New York, New York

CLIFTON S. ROBBINS (circle) (triangle)
General Partner
Kohlberg Kravis Roberts & Co.
New York, New York

GEORGE R. ROBERTS
General Partner
Kohlberg Kravis Roberts & Co.
San Francisco, California

NEIL A. SPRINGER (diamond) (triangle)
Managing Director
Springer Souder & Assoc. L.L.C.
Chicago, Illinois

MICHAEL T. TOKARZ (circle) (triangle)
General Partner
Kohlberg Kravis Roberts & Co.
New York, New York

Member of:

(circle) - Executive Committee
(diamond) Audit Committee
(triangle) Compensation Committee

32

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Shareholder Information

CORPORATE EXECUTIVE
OFFICES
IDEX Corporation
630 Dundee Road
Northbrook, Illinois 60062
(708) 498-7070

INVESTOR INFORMATION

Shareholders and prospective investors are welcome to call or write with questions or requests for additional information. Please direct inquiries to: Wayne P. Sayatovic, Senior Vice President--Finance, Chief Financial Officer and Secretary

REGISTRAR AND TRANSFER AGENT

Inquiries about stock transfers or address changes should be directed to:
Harris Trust and Savings Bank
311 West Monroe Street
Chicago, Illinois 60690
(312) 461-2288

INDEPENDENT AUDITORS

Deloitte & Touche LLP
Two Prudential Plaza
180 North Stetson Avenue
Chicago, Illinois 60601

DIVIDEND POLICY

The Company will pay a quarterly dividend on its common stock beginning January 31, 1995. Initially the dividend has been set at \$.14 per share per calendar quarter. The declaration of future dividends is within the discretion of the Board of Directors of the Company and will depend upon, among other things, business conditions, earnings and the financial condition of the Company. See Notes 8 and 9 of the Notes to Consolidated Financial Statements.

STOCK MARKET INFORMATION

IDEX common stock was held by 1,388 shareholders at December 31, 1994 and is traded on the New York Stock Exchange under the ticker symbol IEX.

FORM 10-K

Shareholders may obtain a copy of the Form 10-K filed with the Securities and Exchange Commission by directing a request to IDEX.

ANNUAL MEETING

The Annual Meeting of IDEX Shareholders will be held on Tuesday, April 25, 1995, in the Shareholders Room of Bank of America Illinois, 231 South LaSalle Street, Chicago, Illinois at 10:00 a.m.

STOCK HISTORY

Quarterly Closing
Prices

[CHART]

QUARTERLY STOCK PRICE		FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
-----		-----	-----	-----	-----
1994	High	26 1/8	27 7/8	28 7/8	29 1/4
	Low	23	22 5/8	25 1/8	25 5/8
	Close	23 1/4	26 3/8	27	28 1/8
1993	High	18 1/4	18 3/4	21 7/8	24
	Low	14 5/8	16 3/8	18 5/8	21 3/8
	Close	17 1/8	18 1/2	21 7/8	23 7/8

SUBSIDIARIES OF IDEX CORPORATION
December 31, 1995

SUBSIDIARY -----	JURISDICTION OF INCORPORATION -----	OTHER NAME WHICH DOING BUSINESS IF ANY -----
BAND-IT-IDEX, INC. BAND-IT COMPANY LTD. BAND-IT CLAMPS (ASIA) PTE. LTD.	DELAWARE UNITED KINGDOM SINGAPORE	
HALE PRODUCTS, INC. HALE PRODUCTS EUROPE GmbH GODIVA PRODUCTS LTD. SEITHAL LIMITED GODIVA GROUP LTD. GINSWAT LTD.	PENNSYLVANIA GERMANY UNITED KINGDOM UNITED KINGDOM UNITED KINGDOM HONG KONG	
CORKEN, INC.	DELAWARE	
LUBRIQUIP, INC. KLS LUBRIQUIP, INC.	DELAWARE WISCONSIN	
PULSAFEEDER, INC. PULSAFEEDER PTE. LTD.	DELAWARE DELAWARE	
STRIPPIT, INC. STRIPPIT INTERNATIONAL, INC. STRIPPIT S.A.	DELAWARE DELAWARE FRANCE	BURGMASER
VIBRATECH, INC.	DELAWARE	
VIKING PUMP, INC. VIKING PUMP INTERNATIONAL, INC. VIKING PUMP (EUROPE) LTD. JOHNSON PUMP (UK) LTD. VIKING PUMP OF CANADA, INC. ATLAS PUMP AND MACHINE CO., INC.	DELAWARE DELAWARE IRELAND UNITED KINGDOM ONTARIO ONTARIO	
WARREN RUPP, INC. WARREN RUPP (EUROPE) LTD.	DELAWARE IRELAND	MARATHON PUMP COMPANY
SIGNFIX HOLDINGS LIMITED SIGNFIX LIMITED TESPA FRANCE SARL TESPA GmbH	UNITED KINGDOM UNITED KINGDOM FRANCE GERMANY	
IDEX FOREIGN SALES CORP.	U.S. VIRGIN ISLANDS	

[DELOITTE & TOUCHE LLP LETTERHEAD]

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement (File Numbers 33-47678, 33-56586 and 33-67688) of IDEX Corporation on Form S-8 of our reports dated January 16, 1995, appearing in and incorporated by reference in the Annual Report on Form 10-K of IDEX Corporation for the year ended December 31, 1994.

/s/ Deloitte & Touche LLP

DELOITTE & TOUCHE LLP
Chicago, Illinois

March 7, 1995

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