



25 YEARS OF INNOVATION, DIVERSITY & EXCELLENCE

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Third Quarter 2013 Earnings Release  
October 22, 2013

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# Agenda

2

- IDEX Outlook
- Q3 Financial Performance
- Q3 Segment Performance
  - Fluid & Metering
  - Health & Science
  - Fire & Safety / Diversified
- Guidance Update
- Q&A



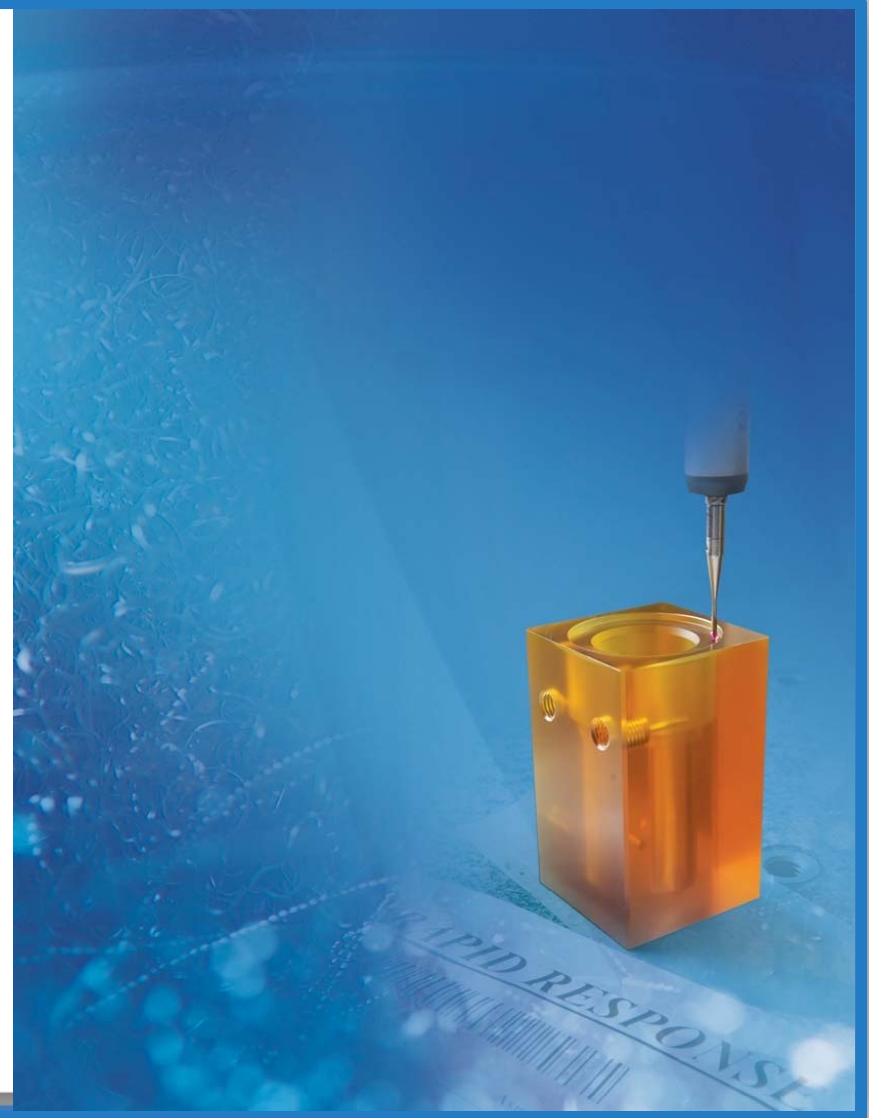
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# Replay Information

3

- Dial toll-free: 855.859.2056
- International: 404.537.3406
- Conference ID: #26074681
- Log on to: [www.idexcorp.com](http://www.idexcorp.com)



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## Cautionary Statement Under the Private Securities Litigation Reform Act

This presentation and discussion will include forward- looking statements.

Our actual performance may differ materially from that indicated or suggested by any such statements. There are a number of factors that could cause those differences, including those presented in our most recent annual report and other company filings with the SEC.

# IDEX Q3 Financial Performance

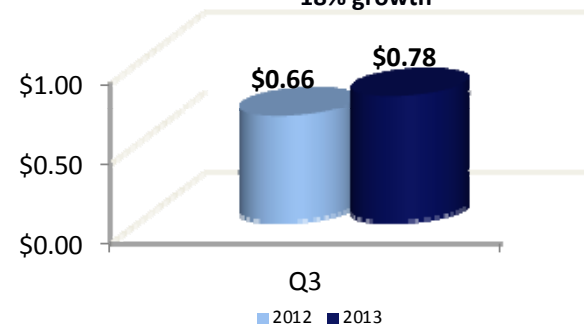
## Revenue

Organic: 1% growth



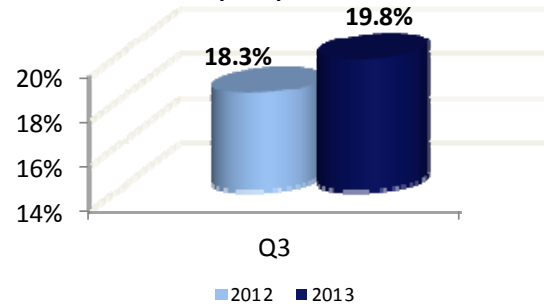
## EPS\*

18% growth



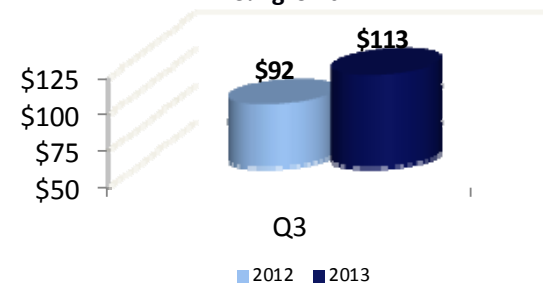
## Operating Margin\*

150 bps expansion



## Free Cash Flow

23% growth



\* Q3 2012 EPS / Operating Margin data adjusted for restructuring expenses (\$7.1M)

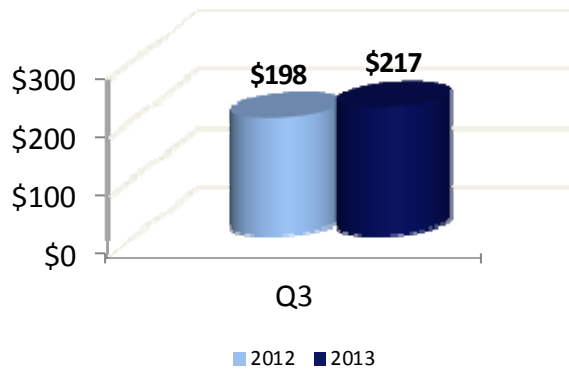
*Outstanding EPS, Margin & FCF performance*



# Fluid & Metering

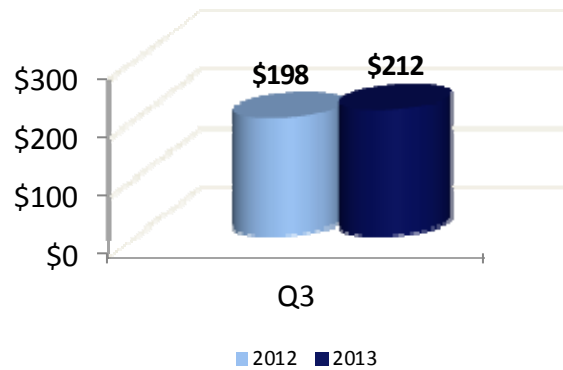
## Orders

Organic: 9% growth



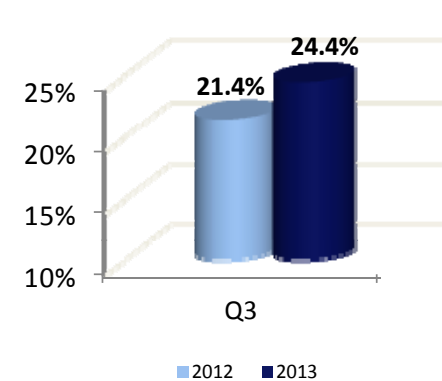
## Revenue

Organic: 6% growth



## Operating Margin\*

300 bps expansion



Q3 Revenue Mix:	
Organic	6%
Acquisition	0%
Fx	<u>1%</u>
Total	7%

### Q3 Summary:

- ❑ Strong organic order and revenue growth driven by increases across all FMT platforms
- ❑ Operating margin improved 300 bps on volume strength and the continued benefit of cost-out actions and disciplined management
- ❑ Energy benefited from continued strength in North American electronic retrofits and aviation
- ❑ Municipal water services showing strong orders and project funnel

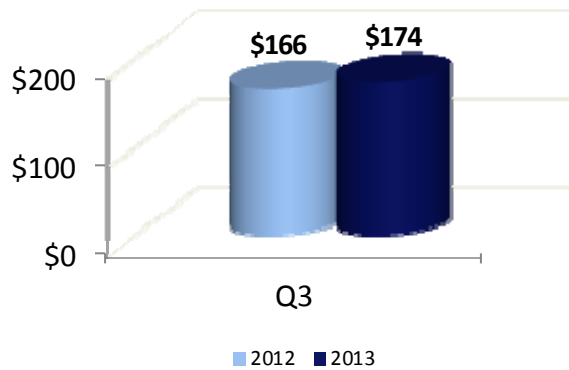
\* Q3 2012 Operating Margin data adjusted for restructuring expense

*Organic orders up 9 percent, organic sales up 6 percent*



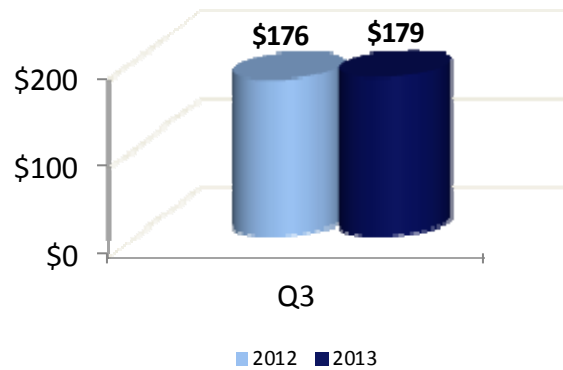
## Orders

Organic: 2% growth



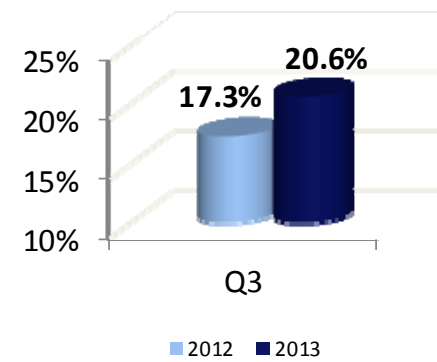
## Revenue

Organic: 2% decline



## Operating Margin\*

330 bps expansion



Q3 Revenue Mix:	
Organic	-2%
Acquisition	4%
Fx	-1%
Total	1%

### Q3 Summary:

- ❑ Operating margins expanded 330 basis points on the strength of focused cost-out initiatives
- ❑ Scientific Fluidics has order and sales growth in every quarter this year
- ❑ Optics & Photonics expecting order increase prior to year-end
- ❑ Specialty Seals delivered outstanding growth from their position in the scientific and oil & gas markets

\* Q3 2012 Operating Margin data adjusted for restructuring expense

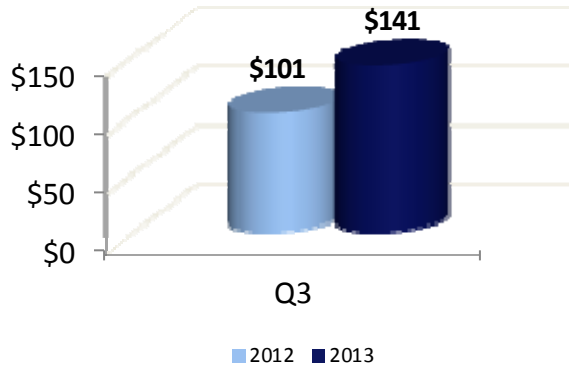
*Q3 operating margin of 20.6 percent up 330 bps*



# Fire & Safety/Diversified

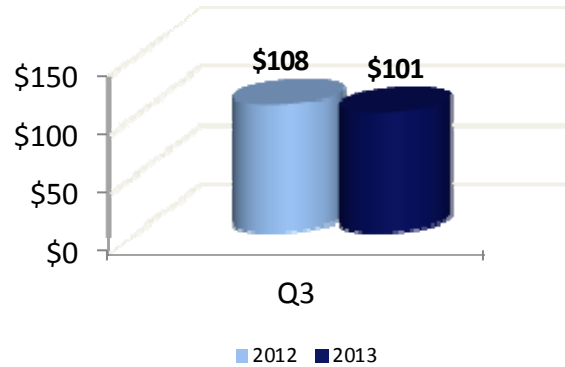
## Orders

Organic: 39% growth



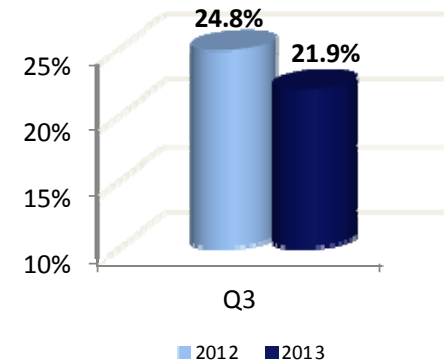
## Revenue

Organic: 7% decline



## Operating Margin\*

290 bps decline



Q3 Revenue Mix:	Organic	-7%
	Acquisition	0%
	Fx	<u>1%</u>
	Total	-6%

### Q3 Summary:

- ❑ Strong organic order growth from FSG and Dispensing
- ❑ Orders up 39 percent organically, excluding large Dispensing order, still up 16 percent
- ❑ Another power production facility trailer order at FSG
- ❑ FSG has exceptional profitability improvements after facility consolidation
- ❑ Strength at Band-It from North American vehicle platforms orders

\* Q3 2012 Operating Margin data adjusted for restructuring expense

*Large Dispensing and FSG orders fuel excellent organic growth*





# Outlook: 2013 Guidance Summary

9

## Q4 2013

- EPS estimate range: \$0.78 – \$0.80
- Organic revenue growth ~ 5%
- Positive revenue impact from acquisition of ~ 1%
- Operating margin ~ 19.5%

## FY 2013

- EPS estimate range: \$3.05 – \$3.07
  - Organic revenue growth ~ 2%
  - Positive revenue impact from acquisition of ~ 2%
  - Operating margin ~ 19.5%
  - Fx impact is immaterial
- Other modeling items
  - Tax rate ~ 28.5%
  - Cap Ex ~ \$33 - \$36M
  - Free Cash Flow will be 145 – 150% of net income
  - Continued share repurchases
  - EPS estimate excludes future acquisitions and associated costs and charges



# Q&A