



Fluid & Metering



Health & Science



Fire & Safety /
Diversified

Fourth Quarter & Full Year 2020 Earnings
February 4, 2021



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Agenda

IDEX Business Overview

- IDEX Overview
- IDEX Culture
- Orders & End Market Update

Financials

- Q4 & Full Year Performance
- Operating Profit

2021 Guidance

Q&A



Replay Information

- Dial toll-free: 877.660.6853
- International: 201.612.7415
- Conference ID: #13712088
- Log on to: www.idexcorp.com



Cautionary Statement

Cautionary Statement Under the Private Securities Litigation Reform Act; Non-GAAP Measures

This presentation and discussion will include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements may relate to, among other things, the anticipated effects of the coronavirus pandemic, including with respect to the Company's revenues, facility closures and access to capital, capital expenditures, acquisitions, cost reductions, cash flow, cash requirements, revenues, earnings, market conditions, global economies, plant and equipment capacity and operating improvements, and are indicated by words or phrases such as "anticipates," "estimates," "plans," "expects," "projects," "forecasts," "should," "could," "will," "management believes," "the company believes," "the company intends," and similar words or phrases. These statements are subject to inherent uncertainties and risks that could cause actual results to differ materially from those anticipated at the date of this news release. The risks and uncertainties include, but are not limited to, the following: the duration of the coronavirus pandemic and the effects of the coronavirus on our ability to operate our business and facilities, on our customers and on the U.S. and global economy generally; economic and political consequences resulting from terrorist attacks and wars; levels of industrial activity and economic conditions in the U.S. and other countries around the world; pricing pressures and other competitive factors, and levels of capital spending in certain industries – all of which could have a material impact on order rates and IDEX's results, particularly in light of the low levels of order backlogs it typically maintains; its ability to make acquisitions and to integrate and operate acquired businesses on a profitable basis; the relationship of the U.S. dollar to other currencies and its impact on pricing and cost competitiveness; political and economic conditions in foreign countries in which the company operates; interest rates; capacity utilization and the effect this has on costs; labor markets; market conditions and material costs; and developments with respect to contingencies, such as litigation and environmental matters. Additional factors that could cause actual results to differ materially from those reflected in the forward-looking statements include, but are not limited to, the risks discussed in the "Risk Factors" section included in the company's most recent annual report on Form 10-K filed with the SEC and the other risks discussed in the company's filings with the SEC. The forward-looking statements included in this presentation and discussion are only made as of today's date, and management undertakes no obligation to publicly update them to reflect subsequent events or circumstances, except as may be required by law. Investors are cautioned not to rely unduly on forward-looking statements when evaluating the information in this presentation and discussion.

This presentation contains non-GAAP financial information. Reconciliations of non-GAAP measures are included either in this presentation or our earnings release for the nine-month period ending December 31, 2020, which is available on our website.



Business Update



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IDEX Overview



Executed in a Challenging Environment

- Our people safe, our customers supported
- 80/20 Led Innovation
- Record Free Cash Flow performance



2021 - Cautiously Bullish

- End markets continue to improve
- COVID still present, but pivoting operations and commercial focus
- Continued evolution of our culture
- Diversity Equity & Inclusion



Capital Deployment Acceleration

- Balance traditional profile with higher growth assets
- Incremental resources to support M&A
- Technology bets



Diversity, Equity & Inclusion

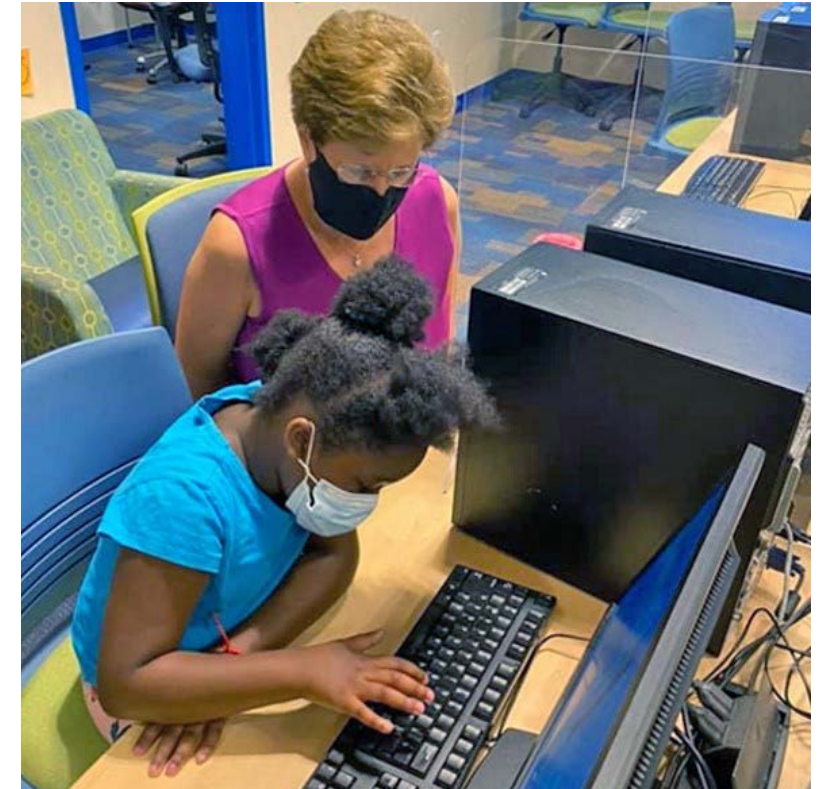


IDEX Foundation Expands Mission

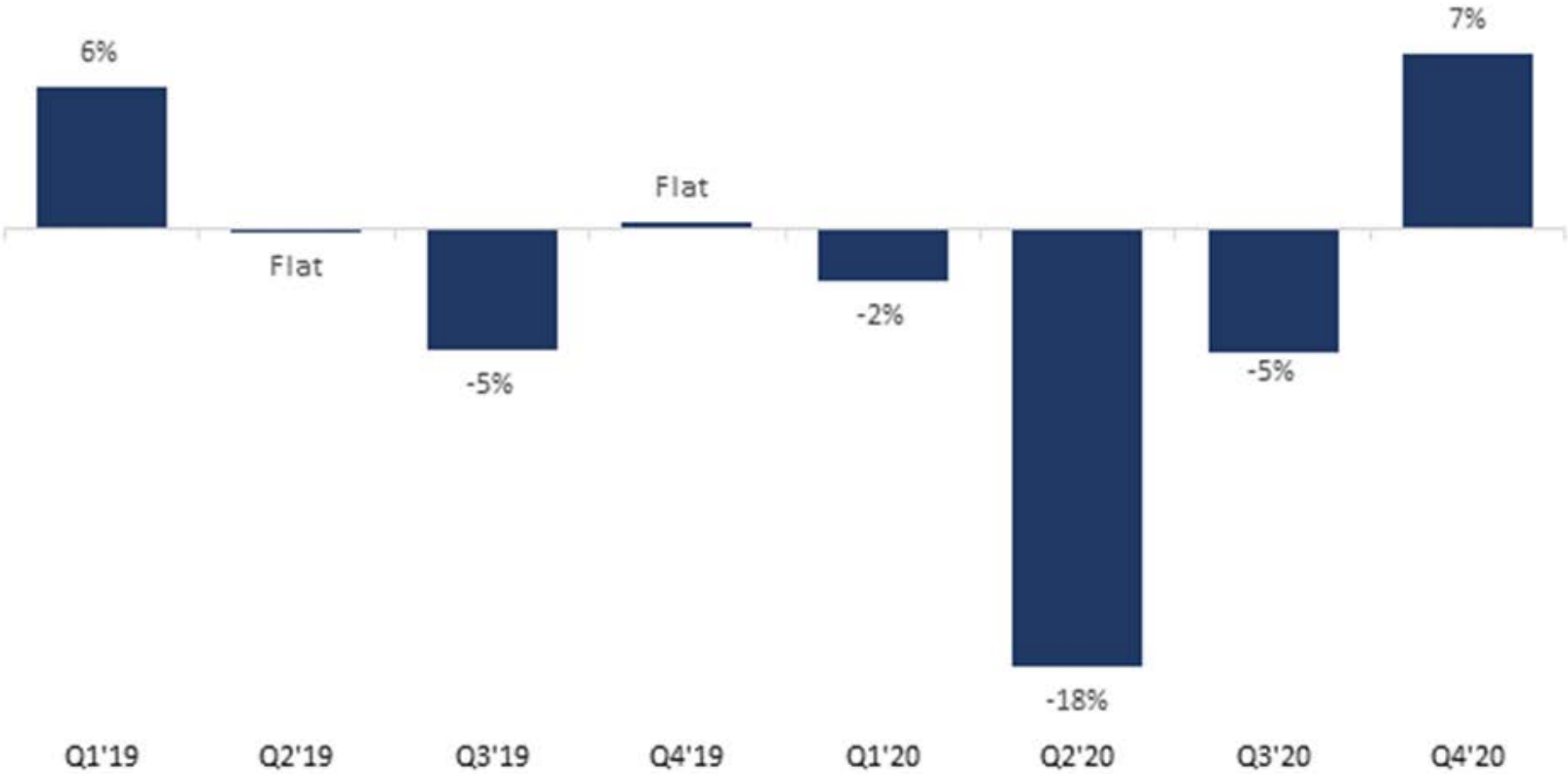
- “Equity & Opportunity” added as foundation pillar
- Increase funding for enhanced mission
- Driving increased engagement across the globe

DE&I Worldwide Focus Groups

- Listening to frontline employees' perspectives
- Developing strategic framework for DE&I
- Hiring DE&I leader in 2021



Organic Order Performance



Industrial Slow Down

COVID

COVID Recovery



Quarterly improvement experienced in all segments since COVID peak

2021 Market Outlook

**FLUID & METERING
TECHNOLOGY**

**HEALTH & SCIENCE
TECHNOLOGY**

**FIRE & SAFETY /
DIVERSIFIED**

POSITIVE MOMENTUM

Agriculture

Automotive

Automotive

Water

Semiconductor

Dispensing

Food / Pharma

STABLE

Industrial

Analytical Instrumentation

Industrial / Other

Chemical

Life Sciences

Fire / Rescue

CHALLENGED

Energy



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Financials

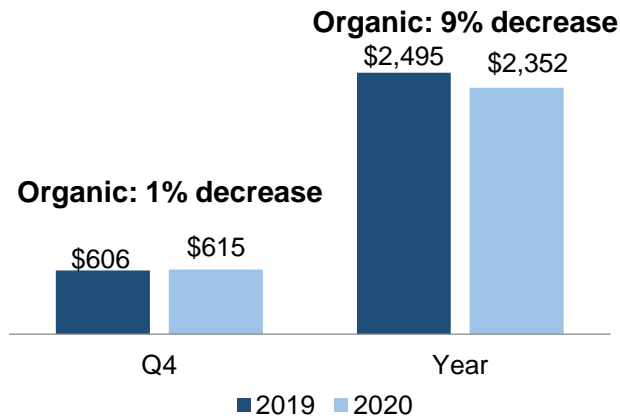


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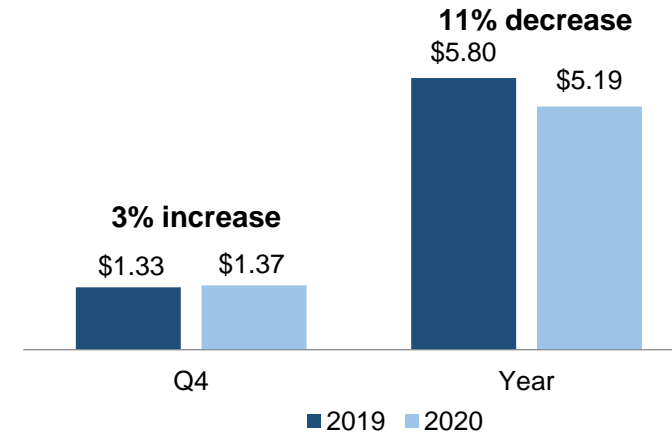
IDEX 2020 Financial Performance

(Dollars in millions, excl. EPS)

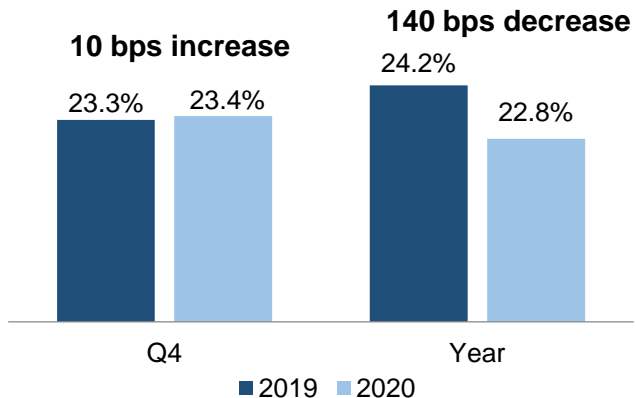
Sales



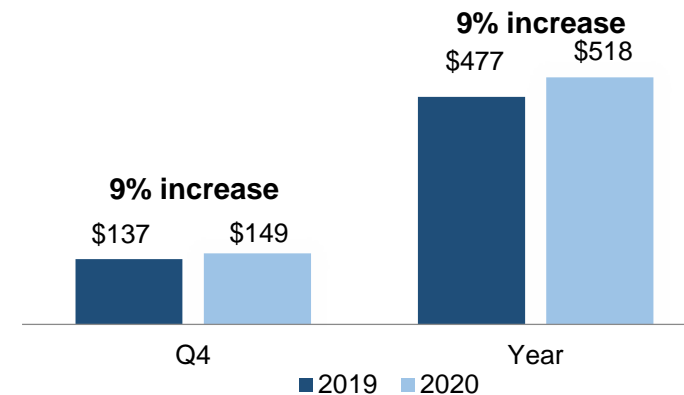
Earnings Per Share*



Operating Margin*



Free Cash Flow

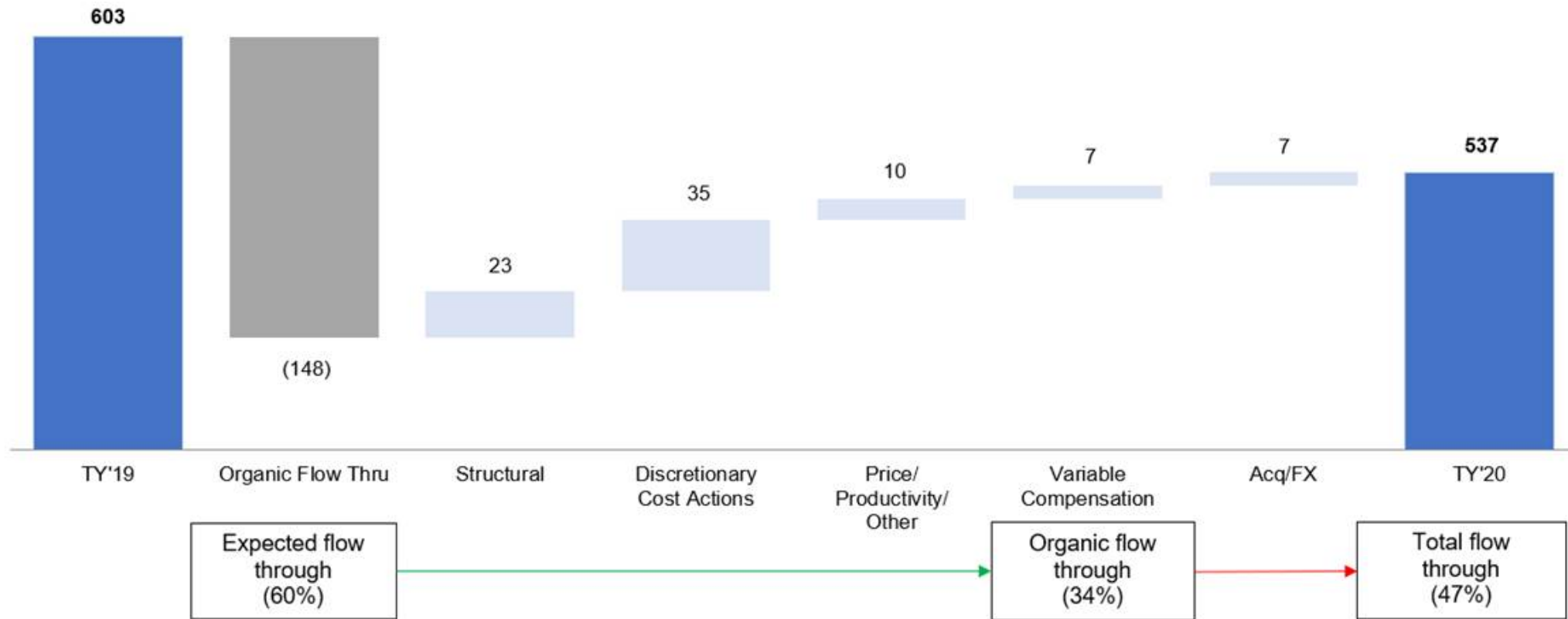


Strong Q4 order growth and excellent operational performance*

*Operating margin and EPS data adjusted for fair value inventory step-up (\$4.1M in 2020 and \$3.3M in 2019) and restructuring expenses (\$5.0M in Q4 2020 and \$11.8M in FY 2020; \$7.0M in Q4 2019 and \$21.0M in FY 2019). Additionally, EPS data was adjusted for loss on early debt redemption (\$8.4M in 2020).

2020 Adjusted Operating Income Walk

(Dollars in millions)



Cost discipline with strategic reinvestment to spur post-COVID growth



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2021 Guidance Bridge

FY 2020 Actuals - Reported

2020 Restructuring

Loss on Bond Extinguishment

Inventory Step-Up

FY 2020 Actuals - Adjusted

Organic Growth: 6% - 8%

Net Productivity / Inflation

Structural Cost Actions

Growth Investments / Discretionary Costs

Variable Compensation

Acquisitions / Divestitures

Operational Range

Tax Rate (~23%)

FX

FY 2021 Plan

	Sales (\$M)	EPS
	\$2,352	\$4.94
	-	0.12
	-	0.09
	-	0.04
	\$2,352	\$5.19
	\$141 - \$188	~0.75 - 0.95
		0.04
		0.12
		(0.19) - (0.26)
		(0.08) - (0.11)
	\$3	(0.03)
	\$2,496 - \$2,543	\$5.70 - \$6.00
	6% - 8% growth	10% - 16% growth
		(0.18)
	\$54	0.13
	\$2,550 - \$2,597	\$5.65 - \$5.95
	8% - 10% growth	9% - 15% growth



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2021 Guidance Bridge

Q1 2021

EPS estimate range: \$1.38 – \$1.42

Organic revenue growth: 2% - 4%

Operating margin: ~23.5%

Tax rate: ~23%

FX impact: ~3.0% topline benefit based on December 31, 2020 FX rates

Corporate costs: ~\$18 million

FY 2021

EPS estimate range: \$5.65 – \$5.95

Organic revenue growth: 6% – 8%

Operating margin: ~23.5% - 24.5%

FX impact: : ~2.0% topline benefit based on December 31, 2020 FX rates

Other modeling items:

- Tax rate: ~23%
- Cap Ex: ~ \$55M
- Free cash flow will be approximately 115% - 120% of net income
- Corporate costs: ~\$70 million
- EPS estimate excludes all future acquisitions and associated costs and any future restructuring expenses



Appendix

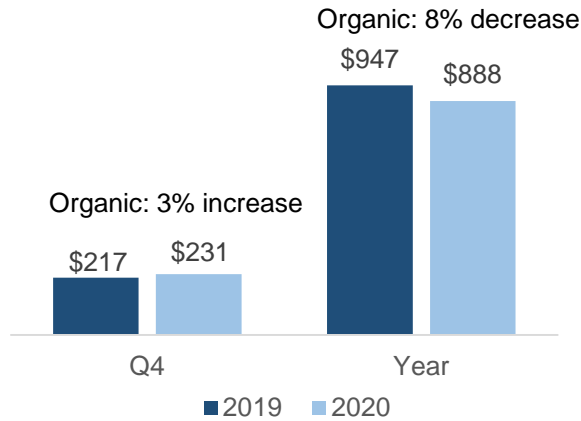


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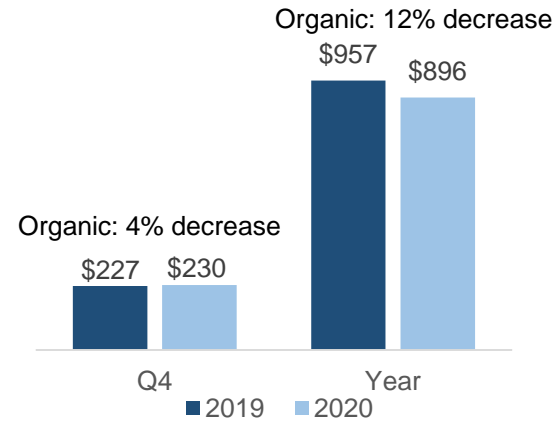
Fluid & Metering Technologies

(Dollars in millions)

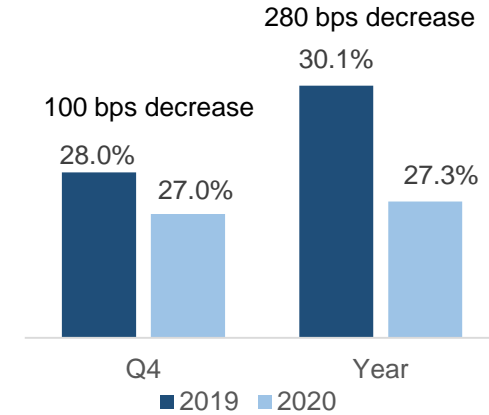
Orders



Sales



Operating Margin*



Q4 Sales Mix:	Organic	-4%
	Acquisition	3%
	FX	<u>2%</u>
	Reported Sales	1%

Q4 Highlights:

- ❑ Industrial market order rates increased through the quarter
- ❑ Agriculture remains positive as crop price and farmer sentiment grow
- ❑ Chemical market remained soft on delayed projects
- ❑ Water has remained stable as we continue to monitor municipal budgets

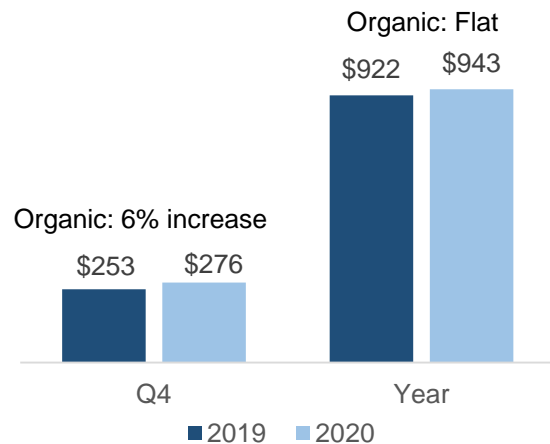
Volume decline partially mitigated through price capture and cost control



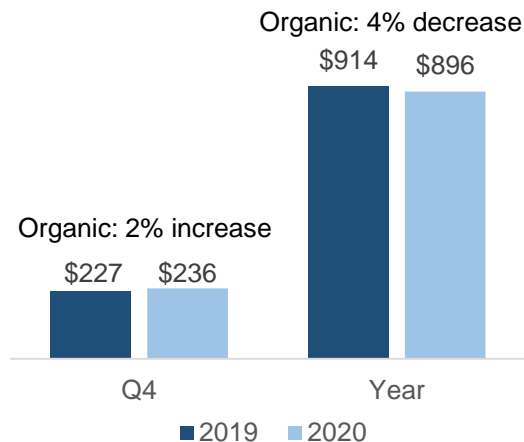
*Operating margin adjusted for \$4.1M in fair value inventory step-up in 2020 and restructuring expenses (\$3.1M in Q4 2020 and \$5.6M in FY 2020; \$1.9M in Q4 2019 and \$2.9M in FY 2019).

Health & Science Technologies

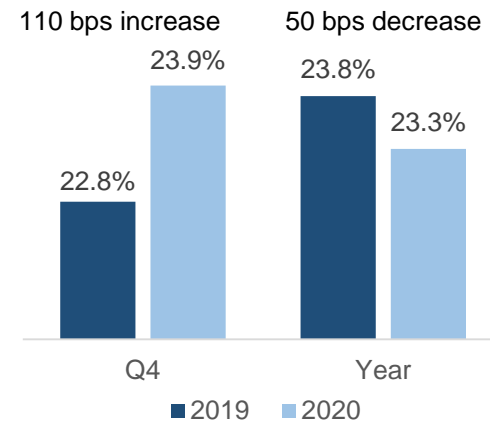
Orders



Sales



Operating Margin*



Q4 Sales Mix:		
Organic		2%
FX		<u>2%</u>
Reported Sales		4%

Q4 Highlights:

- ❑ Scientific Fluidics & Optics impacted by slow recovery in IVD / Bio
- ❑ Gast performed well on increased COVID related projects
- ❑ MPT experiencing continued strength in Pharma market
- ❑ Sealing Solutions saw strengthening in the Semicon and Automotive market

Rebound in core markets combined with new initiatives

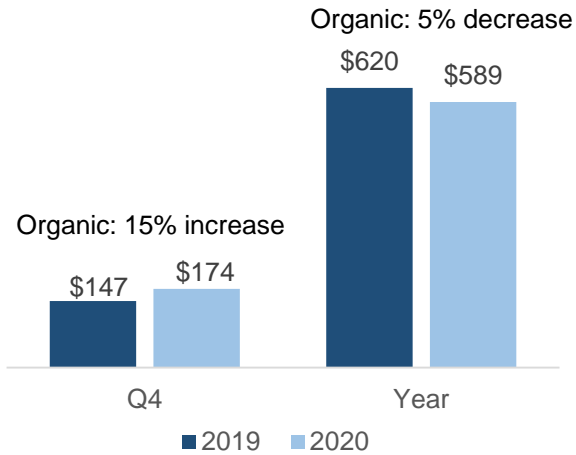


*Operating margin adjusted for \$3.3M in fair value inventory step-up in 2019 and restructuring expenses (\$0.6M in Q4 2020 and \$2.7M in FY 2020; \$2.7M in Q4 2019 and \$14.2M in FY 2019).

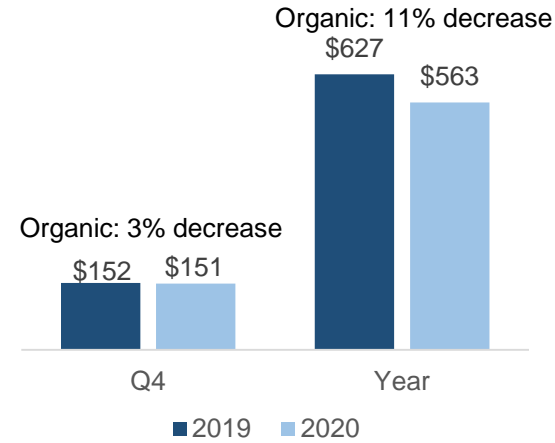
Fire & Safety / Diversified Products

(Dollars in millions)

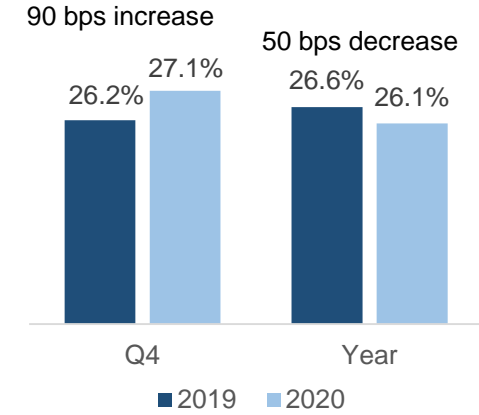
Orders



Sales



Operating Margin*



Q4 Sales Mix:		
Organic		-3%
FX		<u>2%</u>
Reported Sales		-1%

Q4 Highlights:

- ❑ Fire markets stabilized; OEM backlogs remain strong
- ❑ Rescue core markets bolstered by new product demand offsetting project delays
- ❑ Band-IT showed recovery in transportation, despite continued challenges in oil & gas
- ❑ Dispensing recovery continued due to paint market release of capital spend

Markets stabilized and recovering



*Operating margin adjusted for restructuring expenses (\$0.6M in Q4 2020 and \$2.5M in FY 2020; \$.4M in Q4 2019 and \$1.4M in FY 2019).