



*Trusted Solutions,
Improving Lives™*



Fourth Quarter & Full Year 2019 Earnings

January 30, 2020

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 - Health & Science Technologies
 - Fire & Safety / Diversified Products
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Replay Information

- **Dial toll-free: 877.660.6853**
- **International: 201.612.7415**
- **Conference ID: #13694803**
- **Log on to: www.idexcorp.com**

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

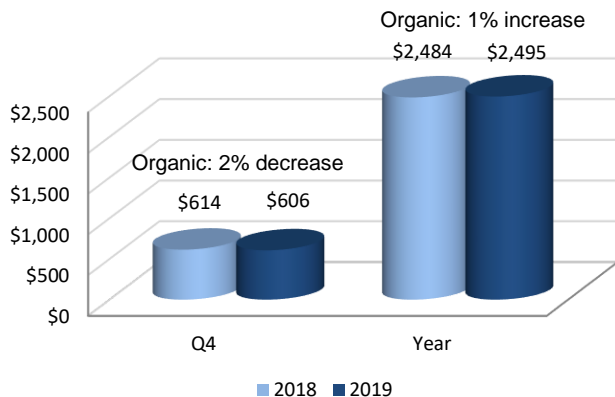
This presentation and discussion will include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements may relate to, among other things, capital expenditures, acquisitions, cost reductions, cash flow, revenues, earnings, market conditions, global economies 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: 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 three-month and full year period ending December 31, 2019, which is available on our website.

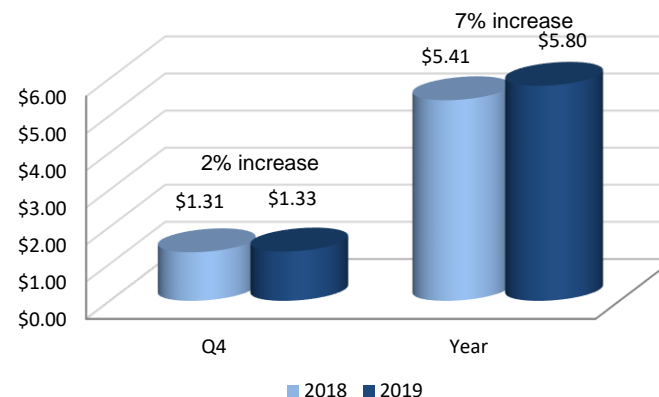
IDEX 2019 Financial Performance

(Dollars in millions, excl. EPS)

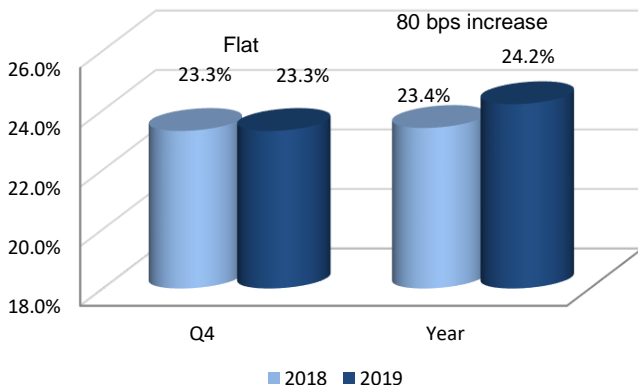
Sales



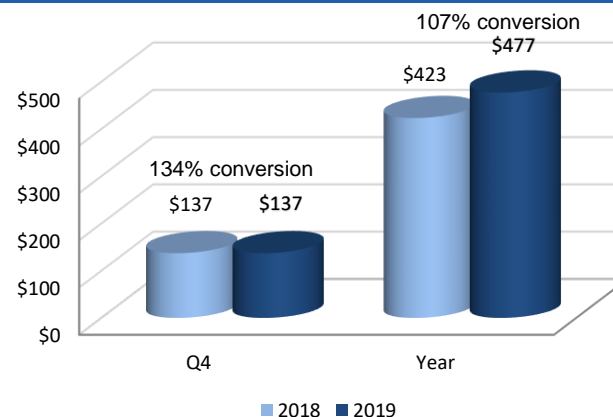
Adjusted EPS*



Adjusted Operating Margin*



Free Cash Flow



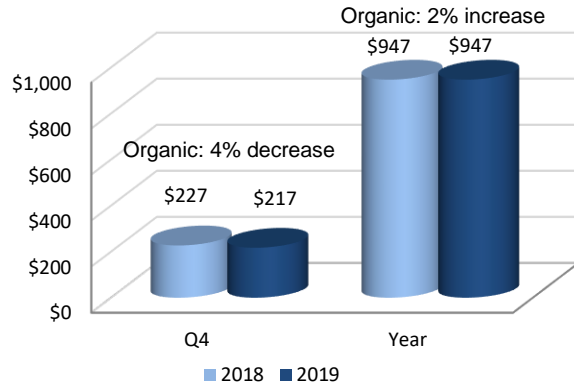
* Operating margin and EPS data adjusted for \$3.3M in fair value inventory step-up in 2019 and restructuring expenses (\$7.0M in Q4 2019 and \$21.0M in FY 2019; \$3.8M in Q4 2018 and \$12.1M in FY 2018)

Strong Execution in a Challenging Market

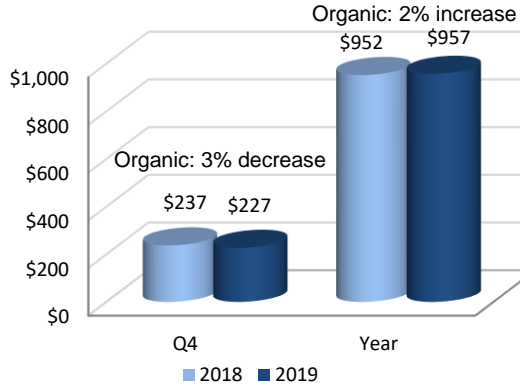
Fluid & Metering Technologies

(Dollars in millions)

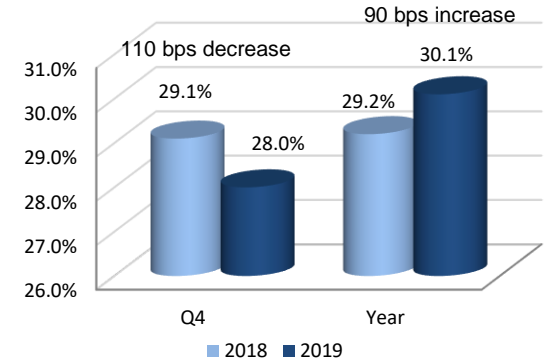
Orders



Sales



Adjusted Operating Margin*



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

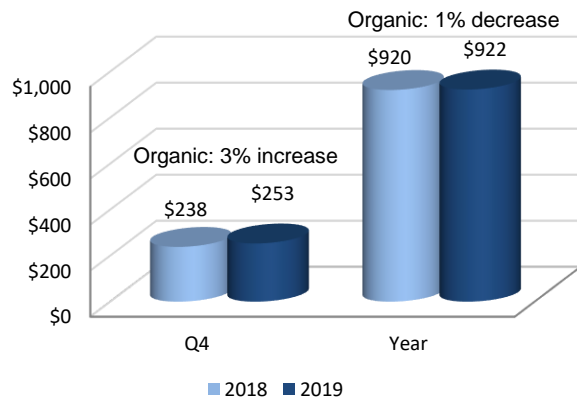
Q4 Highlights:

- ❑ Industrials markets challenged as uncertainty and economic softness continue
- ❑ Agriculture OEM's order rates continue to be negative
- ❑ Energy market showing stability, despite low fuel prices continuing to hamper capital investment
- ❑ Chemical market and targeted initiatives drove positive sales in the quarter, but project funnel decreasing

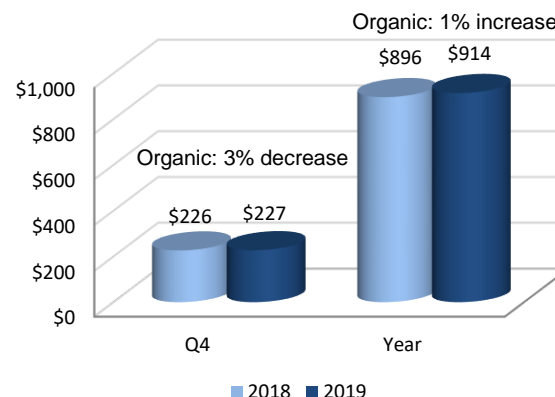
* Operating margin data adjusted for restructuring expenses (\$1.9M in Q4 2019 and \$2.9M in FY 2019; \$1.1M in Q4 2018 and \$2.5M in FY 2018)

Fiscal year margin expansion 90 bps on 2 percent organic sales increase

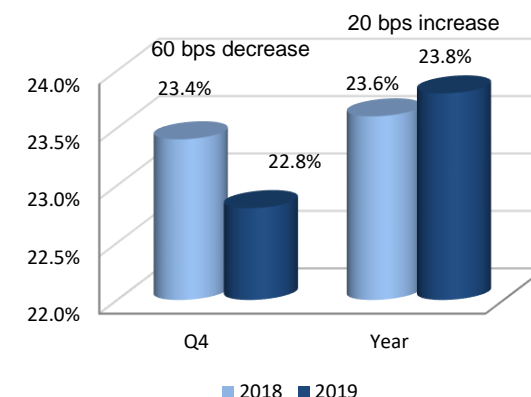
Orders



Sales



Adjusted Operating Margin*



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

Q4 Highlights:

- ❑ Life Sciences businesses continue to perform well driven by new platform wins
- ❑ Industrial market headwinds accelerated in Q4
- ❑ MPT performing well on strong execution within the pharma & food markets
- ❑ Sealing Solutions started to see some positive semi momentum, but their industrial and Oil and Gas markets weakened

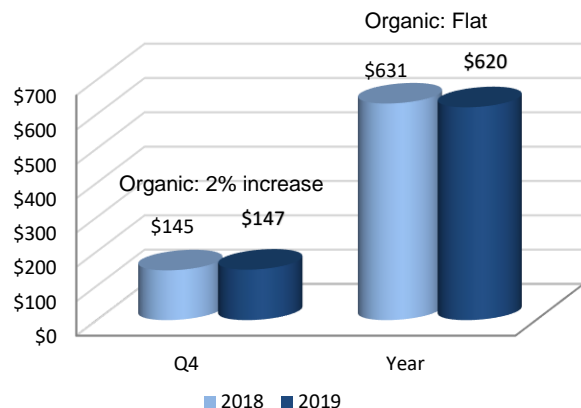
* Operating margin data adjusted for \$3.3M in fair value inventory step-up in 2019 and restructuring expenses (\$2.7M in Q4 2019 and \$14.2M in FY 2019; \$0.6M in Q4 2018 and \$5.9M in FY 2018).

Targeted initiatives and customer obsession driving sales and margin expansion

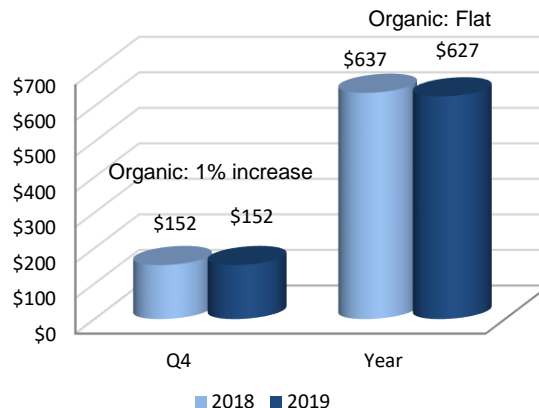
Fire & Safety / Diversified Products

(Dollars in millions)

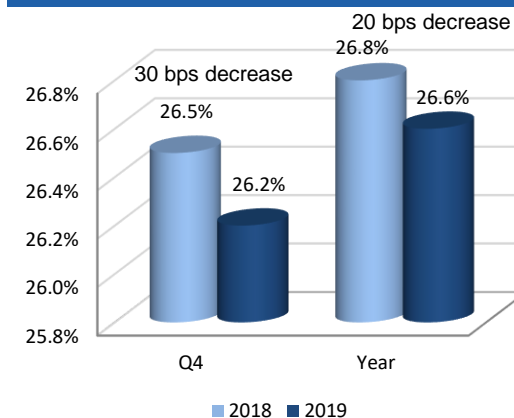
Orders



Sales



Adjusted Operating Margin*



Q4 Sales Mix: Organic	1%
FX	<u>-1%</u>
Reported Sales	0%

Q4 Highlights:

- ❑ Fire business continues to show LSD growth with OEMs including strong interest in the new SAM product
- ❑ Rescue bounced back in Q4 due to release of delayed funding in the U.S and strong NPD demand
- ❑ Band-IT's strength in Transportation was offset by decreases in the Industrial and Oil and Gas markets
- ❑ Dispensing sales remain challenged

* Operating margin data adjusted for restructuring expenses (\$0.4M in Q4 2019 and \$1.4M in FY 2019; \$1.8M in Q4 2018 and \$2.2M in FY 2018).

Large project orders in 2018 driving tough comparable

2020 Guidance Bridge

	<u>Sales (\$M)</u>	<u>EPS</u>
<i>FY 2019 Actuals - Reported</i>	\$2,495	\$5.56
2019 Restructuring	-	0.21
Acquisition Inventory Step Up	-	0.03
<i>FY 2019 Actuals - Adjusted</i>	\$2,495	\$5.80
Organic Growth: (2%) - 0%	~(50) - 0	~(0.30) - 0.09
Inflation/Productivity, net		0.02
Growth Investments		(0.04)
Cost Out		0.15 - 0.20
Variable Compensation		(0.06) - (0.10)
Acquisitions	21	0.03
<i>Operational Range</i>	<u>~ \$2,465 - \$2,515</u>	<u>\$5.65 - \$5.95</u>
	<i>(1%) - 1% growth</i>	<i>(3%) - 3% growth</i>
Tax Rate		(0.10)
FX		0.02
Share Count		(0.02)
<i>FY 2020 Plan</i>	<u>~ \$2,465 - \$2,515</u>	<u>\$5.55 - \$5.85</u>
	<i>(1%) - 1% growth</i>	<i>(4%) - 1% growth</i>

2020 Guidance Summary

Q1 2020

- EPS estimate range: \$1.30 – \$1.34
- Organic revenue growth: (4%) – (5%)
- Operating margin: ~23.0%
- Tax rate: ~20.0%
- FX impact: Not significant based on December 31, 2019 FX rates
- Corporate costs: ~\$20 million

FY 2020

- EPS estimate range: \$5.55 – \$5.85
- Organic revenue growth: (2%) – 0%
- Operating margin: ~23.8% - 24.5%
- FX impact: Not significant based on December 31, 2019 FX rates
- Other modeling items:
 - Tax rate: ~22.0%
 - Cap Ex: ~ \$55M
 - Free cash flow will be approximately 105% - 110% of net income
 - Corporate costs: ~\$75 million
 - EPS estimate excludes all future acquisitions and associated costs and any future restructuring expenses