UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(MARK ONE)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED MARCH 31, 2001

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)

630 DUNDEE ROAD, NORTHBROOK, ILLINOIS
(Address of principal executive offices)
36-3555336
(I.R.S. Employer
Identification No.)

60062
(Zip Code)

Registrant's telephone number: (847) 498-7070

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 __

Number of shares of common stock of IDEX Corporation ("IDEX" or the "Company") outstanding as of April 30, 2001: 30,378,234.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

IDEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS EXCEPT SHARE AND PER SHARE AMOUNTS)

	MARCH 31, 2001	DECEMBER 31, 2000
	(UNAUDITED)	
ASSETS		
Current assets		
Cash and cash equivalents	$ 8,317	$ 8,415
Receivables -- net	110,631	104,950
Inventories	120,231	113,052
Other current assets	9,773	5,672
Total current assets	248,952	232,089
Property, plant and equipment -- net	145,291	128,283
Intangible assets -- net	462,475	388,163
Other noncurrent assets	11,025	10,319
Total assets	$867,743	$758,854
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term debt	$180,629	$ 88,077
Trade accounts payable	48,232	43,342
Dividends payable	4,252	4,236
Accrued expenses	44,797	42,156
Total current liabilities	277,910	177,811
Long-term debt	151,857	153,809
Other noncurrent liabilities	56,249	52,732
Total liabilities	486,016	384,352
Shareholders' equity		
Common stock, par value $.01 per share		
Shares authorized: 2001 and 2000 -- 75,000,000		
Shares issued and outstanding: 2001 -- 30,370,799; 2000 -- 30,258,231	304	303
Additional paid-in capital	116,052	115,280
Retained earnings	282,884	279,907
Minimum pension liability adjustment	(2,127)	(2,127)
Accumulated translation adjustment	(7,510)	(10,489)
Unrealized gains on derivatives	21	--
Treasury stock	(144)	(144)
Unearned compensation on restricted stock	(7,753)	(8,228)
Total shareholders' equity	381,727	374,502
Total liabilities and shareholders' equity	$867,743	$758,854

See Notes to Consolidated Financial Statements.

IDEX CORPORATION AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED OPERATIONS
(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

	FOR THE THREE MONTHS ENDED MARCH 31, 2001	2000
	(UNAUDITED)	
Net sales	$187,395	$176,662
Cost of sales	118,618	106,107
Gross profit	68,777	70,555
Selling, general and administrative expenses	42,801	37,692
Goodwill amortization	3,479	2,900
Restructuring charge	5,661	--
Operating income	16,836	29,963
Other income (expense) -- net	226	(499)
Income before interest expense and income taxes	17,062	29,464
Interest expense	5,403	4,164
Income before income taxes	11,659	25,300
Provision for income taxes	4,430	9,487
Net income	$ 7,229	$ 15,813
Basic earnings per common share	$ .24	$ .53
Diluted earnings per common share	$ .23	$ .52
Share data:		
Weighted average common shares outstanding	29,997	29,663
Weighted average common shares outstanding assuming full dilution	30,987	30,188

See Notes to Consolidated Financial Statements.

IDEX CORPORATION AND SUBSIDIARIES

STATEMENT OF CONSOLIDATED SHAREHOLDERS' EQUITY
(IN THOUSANDS EXCEPT SHARE AND PER SHARE AMOUNTS)

	COMMON STOCK & ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	MINIMUM PENSION LIABILITY ADJUSTMENT	ACCUMULATED TRANSLATION ADJUSTMENT	UNREALIZED GAINS ON DERIVATIVES	TREASURY STOCK	UNEARNED COMPENSATION ON RESTRICTED STOCK	TOTAL SHAREHOLDERS' EQUITY
Balance, December 31, 2000	$115,583	$279,907	$(2,127)	$(10,489)	$ --	$(144)	$(8,228)	$374,502
Net Income		7,229						7,229
Other comprehensive income								
Cumulative effect of accounting change					204			204
Unrealized derivative losses					(183)			(183)
Unrealized translation adjustment				2,979				2,979
Other comprehensive income				2,979	21			3,000
Comprehensive income		7,229		2,979	21			10,229
Issuance of 112,568 shares of common stock, net of those surrendered	773							773
Amortization of restricted stock							475	475
Cash dividends declared on common Stock ($.14 per share)		(4,252)						(4,252)
Balance, March 31, 2001, (unaudited)	$116,356	$282,884	$(2,127)	$ (7,510)	$ 21	$(144)	$(7,753)	$381,727

See Notes to Consolidated Financial Statements.

IDEX CORPORATION AND SUBSIDIARIES

STATEMENTS OF CONSOLIDATED CASH FLOWS
(IN THOUSANDS)

	FOR THE THREE MONTHS ENDED MARCH 31, 2001	2000
	(UNAUDITED)	
Cash flows from operating activities		
Net income	$ 7,229	$ 15,813
Adjustments to reconcile to net cash provided by operations:		
Depreciation and amortization	6,898	5,697
Amortization of intangibles	3,852	3,268
Amortization of unearned compensation	475	--
Amortization of debt issuance expenses	57	56
Restructuring charge	5,661	--
Deferred income taxes	524	(463)
Decrease (increase) in receivables	3,260	(4,564)
Decrease in inventories	2,781	3
Increase in trade accounts payable	880	4,688
(Decrease) increase in accrued expenses	(6,777)	4,281
Other -- net	(4,343)	(4,904)
Net cash flows from operating activities	20,497	23,875
Cash flows from investing activities		
Additions to property, plant and equipment	(5,303)	(4,348)
Acquisition of businesses (net of cash acquired)	(106,506)	--
Net cash flows from investing activities	(111,809)	(4,348)
Cash flows from financing activities		
Borrowings under credit facilities for acquisitions	106,506	--
Net repayments under credit facilities	(8,313)	(11,336)
Repayments of other long-term debt	(2,505)	(310)
Decrease in accrued interest	(2,318)	(2,596)
Dividends paid	(4,236)	(4,152)
Proceeds from stock option exercises	2,080	432
Purchase of common stock	--	(46)
Net cash flows from financing activities	91,214	(18,008)
Net increase in cash	(98)	1,519
Cash and cash equivalents at beginning of year	8,415	2,895
Cash and cash equivalents at end of period	$ 8,317	$ 4,414
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for:		
Interest	$ 7,778	$ 6,704
Income taxes	1,913	1,598
SIGNIFICANT NON-CASH ACTIVITIES		
Debt acquired with acquisition of business	2,931	

See Notes to Consolidated Financial Statements.

IDEX CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. BUSINESS

IDEX Corporation ("IDEX" or the "Company") manufactures an extensive array of proprietary engineered industrial products sold to customers in a variety of industries around the world. The Company believes that each of its principal business units holds the number-one or number-two market share position in each unit's niche market. IDEX believes that its consistent financial performance has been attributable to the manufacture of quality proprietary products designed and engineered by the Company, coupled with its ability to identify and successfully integrate strategic acquisitions. IDEX consists of three reportable business segments: Pump Products Group, Dispensing Equipment Group, and Other Engineered Products Group.

The Pump Products Group designs, produces and distributes a wide variety of industrial pumps, compressors, meters and related controls for the movement of liquids, air and gases. The devices and equipment produced by the group are used by a large and diverse set of industries, including chemical processing, machinery, water treatment, medical equipment, petroleum distribution, oil and refining, and food processing.

The Dispensing Equipment Group produces highly engineered equipment for dispensing, metering and mixing colorants, paints, inks and dyes; refinishing equipment; and centralized lubrication systems. This proprietary equipment is used in a variety of retail and commercial industries around the world. These units provide componentry and systems for applications such as tinting paints and coatings; providing industrial and automotive refinishing equipment; and the precise lubrication of machinery and transportation equipment.

The Other Engineered Products Group manufactures engineered banding and clamping devices, fire fighting pumps and rescue tools. The high-quality stainless steel bands, buckles and preformed clamps and related installation tools are used in applications including securing hoses, signals, pipes, poles, electrical lines, sign-mounting systems and numerous other "hold-together" applications. The Group also includes a leading manufacturer of truck-mounted fire pumps and rescue tool systems used by public and private fire and rescue organizations and electronic devices and systems for the specialty vehicle market.

Information follows about the operations of IDEX in different business segments based on the nature of products and services offered. The Company's basis of segmentation and basis of segment profit measurement for the three months ended March 31, 2001, are the same as those set forth under "Business Segments and Geographic Information" on pages 30 and 31 of the 2000 Annual Report to Shareholders. Intersegment sales are accounted for at fair value as if the sales were to third parties. Amounts are in thousands.

IDEX CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
(UNAUDITED)

	FOR THE THREE MONTHS ENDED MARCH 31, 2001	2000
Net sales		
Pump Products		
From external customers	$109,282	$ 98,341
Intersegment sales	460	646
Total group sales	109,742	98,987
Dispensing Equipment		
From external customers	35,834	39,919
Intersegment sales	--	1
Total group sales	35,834	39,920
Other Engineered Products		
From external customers	42,279	38,402
Intersegment sales	--	1
Total group sales	42,279	38,403
Intersegment elimination	(460)	(648)
Total net sales	$187,395	$176,662
Operating income		
Pump Products	$ 16,225	$ 19,323
Dispensing Equipment	4,648	7,217
Other Engineered Products	6,047	7,439
Restructuring charge	(5,661)	--
Corporate Office and Other	(4,423)	(4,016)
Total operating income	$ 16,836	$ 29,963

Operating income represents business segment operating income after noncash amortization of intangible assets. The restructuring charge of $5,661 was not assigned to the individual group segments. Had the Company allocated the restructuring charge, the charge would have been assigned to the groups as follows: Pump Products ($4,623), Dispensing Equipment ($592), and Other Engineered Products ($446).

2. DERIVATIVE INSTRUMENTS

The Company adopted SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," on January 1, 2001. SFAS No. 133 establishes accounting and reporting standards for derivative instruments and for hedging activities. SFAS No. 133 requires that derivative financial instruments be recognized in the financial statements at fair value. Changes in the fair value of derivative financial instruments are either recognized periodically in income or shareholders' equity (as a component of comprehensive income), depending on whether the derivative is being used to hedge changes in fair value or cash flows. The adoption of SFAS No. 133 did not have a material effect on IDEX's balance sheet or statement of operations, but did initially increase comprehensive income by $0.2 million in the accompanying consolidated statement of shareholders' equity.

IDEX uses derivative financial instruments principally to manage the risk that changes in interest rates will affect either the fair value of its debt obligations or the amount of its future interest payments. At March 31, 2001, the Company had four interest rate swaps, expiring between June 2001 and March 2002, which effectively converted $88.7 million of floating rate debt into fixed rate debt at interest rates approximating 4.4%. The fair market value of these interest rate swaps totaled less than $0.1 million at March 31, 2001. Fair values relating to derivative financial instruments reflect the estimated amounts that the Company would receive or pay to terminate the contracts at the reporting date based on quoted market prices of comparable contracts as of March 31, 2001. The net gain or loss on these interest rate swap contracts was not material during the first quarter of 2001.

3. ACQUISITIONS

The Company completed separate acquisitions of Liquid Controls L.L.C. and Class 1, Inc. in January 2001, for an aggregate purchase price of $109 million, with financing provided by borrowings under the U.S. Credit Facility. Liquid Controls, headquartered in Lake Bluff, Illinois, is a leading manufacturer of positive displacement flow meters, electronic registration and process control systems and is operated as part of the Pump Products Group. Class 1, headquartered in Ocala, Florida, is a leading manufacturer of electronic and mechanical components and systems for the specialty vehicle market and is operated as part of the Other Engineered Products Group.

The Company acquired Ismatec SA on April 17, 2000, and Trebor International, Inc. on May 31, 2000, at a total purchase price of approximately $35 million with borrowings under the Company's U.S. Credit Facility. Ismatec, with headquarters near Zurich, Switzerland, is a leading European manufacturer of peristaltic metering pumps, analytical process controllers and sample preparation systems. These products typically are used for scientific research and development in the pharmaceutical, medical, biotech and institutional laboratory markets. Trebor, with headquarters near Salt Lake City, is a leading designer and manufacturer of high-purity fluid handling products, including air-operated diaphragm pumps and deionized water-heating systems. Trebor's products are incorporated into wet chemical processing, and chemical delivery and blending systems. Ismatec and Trebor are being operated as part of the Pump Products group.

All acquisitions were accounted for as purchases, and operating results include the acquisitions from the effective dates of purchase. Cost in excess of net assets acquired is amortized on a straight-line basis over a 40 year period.

4. RESTRUCTURING CHARGE

In April 2001, the Company announced a restructuring program with aggressive actions to properly size its operations to current business conditions. These actions were designed to reduce costs and improve operating efficiencies. The program included, among other items, severance of employees, fringe benefits, outplacement fees, and the plant consolidation of two facilities. The restructuring, affecting all three business groups, will reduce the Company's current workforce by approximately 250 employees, representing 6% of the total workforce, and will include consolidation of Gast Manufacturing's two production facilities in southwest Michigan.

The restructuring program costs are shown as a separate item in the accompanying income statement and resulted in a charge to operations of $5,661 ($3,509 after taxes), or $0.12 per share. Excluding the charge, fully diluted earnings per share would have been $0.35 a share for the three months ended March 31, 2001. At March 31, 2001, the amount remaining in the accruals for the restructuring program was approximately $5.0 million. Approximately $4.0 million of the restructuring accrual will be utilized by December 31,2001 and the remainder will be utilized by March 2003.

IDEX CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
(UNAUDITED)

5. EARNINGS PER COMMON SHARE

Earnings per common share (EPS) are computed by dividing net income by the weighted average number of shares of common stock (basic) plus common stock equivalents outstanding (diluted) during the year. Common stock equivalents consist of stock options and have been included in the calculation of weighted average shares outstanding using the treasury stock method. Basic weighted average shares reconciles to fully diluted weighted average shares as follows (in thousands):

	FOR THE THREE MONTHS ENDED MARCH 31,	
	2001	2000
Basic weighted average common shares outstanding	29,997	29,663
Dilutive effect of stock options and unvested restricted shares	990	525
Weighted average common shares outstanding assuming full dilution	30,987	30,188

6. INVENTORIES

The components of inventories as of March 31, 2001, and December 31, 2000, were (in thousands):

	MARCH 31, 2001	DECEMBER 31, 2000
Raw materials	$ 38,523	$ 32,020
Work in process	13,106	13,852
Finished goods	68,602	67,180
Total	$120,231	$113,052

Those inventories which were carried on a LIFO basis amounted to $99,436 and $91,532 at March 31, 2001, and December 31, 2000, respectively. The excess of current cost over LIFO inventory value and the impact of using the LIFO method on earnings are not material.

7. COMMON AND PREFERRED STOCK

The Company had five million shares of preferred stock authorized but unissued at March 31, 2001, and December 31, 2000.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

HISTORICAL OVERVIEW AND OUTLOOK

IDEX sells a broad range of proprietary pump products, dispensing equipment and other engineered products to a diverse customer base in the United States and internationally. Accordingly, IDEX's businesses are affected by levels of industrial activity and economic conditions in the United States and in other countries where its products are sold and by the relationship of the U.S. dollar to other currencies. Among the factors that influence the demand for IDEX's products are interest rates, levels of capacity utilization and capital spending in certain industries, and overall industrial activity.

IDEX has a history of above-average operating margins. The Company's operating margins are impacted by, among other things, utilization of facilities as sales volumes change and inclusion of newly acquired businesses, which may have lower margins and whose margins are normally further reduced by purchase accounting adjustments.

IDEX reported record sales; however, recorded lower net income and earnings per share for the three months ended March 31, 2001 compared with the corresponding period of the prior year. New orders for the first quarter totaled $189.7 million, 2% below the comparable 2000 period. Excluding the impact of foreign currency and the four acquisitions made during the last year (Ismatec -- April 2000, Trebor -- May 2000, Class 1 -- January 2001 and Liquid Controls -- January 2001), orders were 11% lower than the record first quarter of 2000 but showed an 8% improvement from the fourth quarter of last year. During the first quarter, backlog increased $2.3 million and IDEX ended the quarter with a typical unfilled order backlog of slightly over one month's sales. This customarily low level of backlog allows the Company to provide excellent customer service, but also means that changes in orders are felt quickly in operating results.

The following forward-looking statements are qualified by the cautionary statement under the Private Securities Litigation Reform Act set forth below. Management is very optimistic about the short- and long-term prospects of the Company. Looking ahead to the second quarter, the Company believes its sales and earnings will be higher than the first quarter of 2001. However, IDEX expects that diluted earnings per share could be about 20 to 25% lower than the record 57 cents earned in the second quarter of 2000. IDEX operates with a very small backlog of unfilled orders, and it is not able to assess how long the softness in several of its end-markets will last. The Company's performance will depend upon the strength of the U.S. and key international economies. The Company's management continues to believe IDEX is well positioned for future growth, with diversity in products and markets served and leading positions in its niches. In the second half of this year, management expects that IDEX will benefit from its continued emphasis on profitable growth, the margin improvement initiatives of Six Sigma, global sourcing and e-business, and also the use of strong cash flow to cut debt and interest expense. The Company will also continue to pursue acquisitions that will drive its longer-term profitable growth.

CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT

The preceding paragraph and the "Liquidity and Capital Resources" sections of this management's discussion and analysis of IDEX operations contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Such statements relate to, among other things, capital expenditures, cost reduction, cash flow and operating improvements, and are indicated by words such as "anticipate," "estimate," "expects," "plans," "projects," "should," "will," "management believes," "the Company intends" and similar words or phrases. Such statements are subject to inherent uncertainties and risks which could cause actual results to vary materially from suggested results, including but not limited to the following: levels of industrial activity and economic conditions in the United States 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 the Company's results, particularly in light of the low levels of order backlogs typically maintained by the Company; IDEX's ability 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; interest rates; utilization of IDEX's capacity and the affect of capacity utilization on costs; labor market conditions and raw material costs; developments with respect to contingencies, such as environmental matters and litigation; and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission.

RESULTS OF OPERATIONS

For purposes of this discussion and analysis section, reference is made to the table on the following page and the Company's Statements of Consolidated Operations included in the Financial Statements section. IDEX consists of three reporting groups: Pump Products, Dispensing Equipment and Other Engineered Products.

PERFORMANCE IN THE THREE MONTHS ENDED MARCH 31, 2001 COMPARED TO THE SAME PERIOD OF 2000

IDEX reported record sales; however, recorded lower net income and earnings per share for the first quarter of 2001 compared with last year. Incoming orders of $189.7 million were 2% lower than 2000 as a result of an 11% decrease in the base businesses and a 2% negative effect from foreign currency translation partially offset by 11% growth from recent acquisitions. Net sales for the three months ended March 31, 2001 were $187.4 million, a 6% increase over the $176.7 million for the comparable 2000 period. Acquisitions accounted for a 13% improvement, which was partially offset by a 5% decline in base sales activity and a 2% unfavorable currency translation. Net income was $7.2 million, 54% lower than the $15.8 million earned in the first quarter of 2000. Diluted earnings per share decreased 29 cents to 23 cents, down 56% compared with the same period a year ago. Excluding the one-time restructuring charge, net income was $10.7 million, 32% lower than the $15.8 million earned in last year's first quarter, and diluted earnings per share were 35 cents, down 33% from 52 cents last year.

In the first three months of 2001, the Pump Products Group contributed 58% of sales and 60% of operating income, the Dispensing Equipment Group accounted for 19% of sales and 17% of operating income, and the Engineered Products Group represented both 23% of sales and operating income. In the first three months of 2001, international sales grew by 9% while domestic sales increased by 4% compared with last year. As a result, international sales were 41% of total sales, up from 40% in the same quarter of 2000.

Pump Products Group sales of $109.7 million for the three months ended March 31, 2001 increased by $10.8 million, or 11%, from 2000 principally reflecting the Ismatec, Trebor and Liquid Controls acquisitions which added 16% to the first quarter sales. Base business sales volume was down 4% from last year and foreign currency had a 1% negative effect on the Group's sales comparison to 2000. In the first quarter of 2001, international sales grew by 24% and domestic sales increased by 5% principally reflecting the recent acquisitions. Excluding acquisitions and foreign currency, base international sales increased 1%, while base U.S. sales volume decreased 7% due to weak conditions in the U.S. manufacturing sector. Sales to customers outside the United States increased to 35% of total group sales in 2001 from 31% in 2000 principally due to recent acquisitions and the change in sales mix caused by the weaker domestic sales in 2001.

Dispensing Equipment Group sales of $35.8 million decreased $4.1 million, or 10%, in the first quarter of 2001 compared with last year's first quarter. Base business volume was down 6% from 2000 and foreign currency translation had a 4% negative effect. In the first quarter of 2001, international sales were essentially equal to last year, while domestic sales decreased by 21% due to continuing weak conditions in the U.S. manufacturing sector, which caused significant year-over-year volume declines. Sales to customers outside the United States were 57% of total group sales in 2001, up from 51% in 2000 primarily reflecting a change in sales mix due to the weaker domestic sales in 2001.

Other Engineered Products sales of $42.3 million increased by $3.9 million, or 10%, in the first quarter of 2001 compared with 2000 principally reflecting the Class 1 acquisition which added 18% to the first quarter sales. Overall base business sales decreased by 5% and foreign currency translation had a negative effect of 3%. In the first quarter of 2001, domestic sales increased by 24% and international sales decreased by 6% with the lower international sales resulting from foreign currency translation. Excluding foreign currency and acquisitions, international base sales increased by 1% in 2001, while the base U.S. sales volume decreased 10% compared to last year due to the weak conditions in the U.S. manufacturing markets. Sales to customers outside the United States were 41% of total group sales in 2001, down from 48% in 2000 principally reflecting the change in sales mix due to the Class 1 acquisition.

IDEX CORPORATION AND SUBSIDIARIES
COMPANY AND BUSINESS GROUP FINANCIAL INFORMATION
(IN THOUSANDS)

	FOR THE THREE MONTHS ENDED MARCH 31, 2001(1)	2000
	(UNAUDITED)	
Pump Products Group		
Net sales(2)	$109,742	$ 98,987
Operating income before restructuring(3)	16,225	19,323
Operating margin	14.8%	19.5%
Depreciation and amortization	$ 6,173	$ 4,975
Capital expenditures	2,627	1,966
Dispensing Equipment Group		
Net sales(2)	$ 35,834	$ 39,920
Operating income before restructuring(3)	4,648	7,217
Operating margin	13.0%	18.1%
Depreciation and amortization	$ 2,410	$ 2,138
Capital expenditures	1,112	1,101
Other Engineered Products Group		
Net sales(2)	$ 42,279	$ 38,403
Operating income before restructuring(3)	6,047	7,439
Operating margin	14.3%	19.4%
Depreciation and amortization	$ 2,077	$ 1,768
Capital expenditures	1,490	1,267
Company		
Net sales	$187,395	$176,662
Before restructuring: operating income	22,497	29,963
operating margin	12.0%	17.0%
After restructuring: operating income	$ 16,836	$ 29,963
operating margin	9.0%	17.0%
Depreciation and amortization(4)	$ 11,225	$ 8,965
Capital expenditures	5,303	4,348

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(1) IDEX completed the acquisitions of Liquid Controls L.L.C. and Class 1, Inc. in January 2001, with the operating results of Liquid Controls and Class 1 included in the Pump Products Group and Other Engineered Products Group, respectively. The results also include the acquisition of Ismatec SA (April 2000) and Trebor International, Inc. (May 2000) in the Pump Products Group from the dates of acquisition.

(2) Group net sales include intersegment sales.

(3) Group operating income excludes net unallocated corporate operating expenses and the restructuring charge in 2001. The restructuring charge of $5,661 was included with corporate and other and was not assigned to the individual group segments. Had the Company allocated the restructuring charge, the charge would have been assigned to the groups as follows: Pump Products ($4,623), Dispensing Equipment ($592), and Other Engineered Products ($446).

(4) Excludes amortization of debt issuance expenses.

Gross profit of $68.8 million in the first quarter of 2001 decreased by $1.8 million, or 3%, from 2000. Gross profit as a percent of sales was 36.7% in 2001 and decreased from 39.9% in 2000. The lower gross profit and gross margins reflected reduced sales volume at the base businesses and inclusion of the recent acquisitions whose margins are lower than those of the base businesses. Selling, general and administrative expenses increased to $42.8 million in 2001 from $37.7 million in 2000, and as a percent of net sales, were 22.8%, up from 21.3% in 2000. The increase in selling, general and administrative expenses was attributable to including recent acquisitions and the incremental up-front costs associated with implementing the Company's Six Sigma and e-business initiatives. Goodwill amortization increased by $0.6 million to $3.5 million in 2001 from $2.9 million in 2000 also reflecting the recent acquisitions. As a percent of sales, goodwill amortization remained flat at about 2% for both years. During the first quarter of 2001, IDEX recorded a one-time restructuring charge amounting to $5.7 million, or 12 cents per share, to properly size the Company's operations to current business conditions. The restructuring, affecting all three business groups, will reduce the Company's current workforce by approximately 250 employees, representing 6% of the total workforce, and will include the consolidation Gast Manufacturing's two production facilities in southwest Michigan.

Operating income decreased by $13.1 million, or 44%, to $16.8 million in 2001 from $30.0 million in 2000. Excluding the restructuring charge, operating income as a percent of sales decreased to 12.0% in 2001 from 17.0% in 2000. The decrease in operating income and operating margin reflected decreases at all three business groups and were attributable to reduced volumes at base businesses, inclusion of recent acquisitions whose margins are lower than those of the base businesses, and incremental up-front costs associated with implementing the Company's Six Sigma and e-business initiatives. In the Pump Products Group, operating income of $16.2 million and operating margin of 14.8% in 2001 compared to the $19.3 million and 19.5% recorded in 2000. Operating income of $4.7 million and operating margin of 13.0% in the Dispensing Equipment Group decreased from the $7.2 million and 18.1% recorded in 2000. Operating income in the Other Engineered Products Group of $6.0 million and operating margin of 14.3% in 2001 decreased from $7.4 million and 19.4% achieved in 2000.

Other income increased $0.7 million to income of $0.2 million in the first quarter of 2001 from expense of $0.5 million last year reflecting higher income from fixed asset dispositions.

Interest expense increased to $5.4 million in the first quarter of 2001 from $4.2 million in 2000. The increase in interest was principally due to the additional debt required for the acquisition of the Ismatec, Trebor, Liquid Controls and Class 1 businesses.

The provision for income taxes decreased to $4.4 million in 2001 from $9.5 million in 2000 reflecting lower income. The effective tax rate increased to 38.0% in 2001 from 37.5% in 2000.

Net income of $7.2 million in 2001 was 54% lower than income of $15.8 million in 2000. Diluted earnings per share amounted to 23 cents in 2001, a decrease of 29 cents per share, or 56%, from the 52 cents achieved in 2000. Net income before the restructuring charge was $10.7 million, 32% lower than the $15.8 million earned in last year's first quarter, and diluted earnings per share were 35 cents, down 33% from 52 cents last year.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2001, IDEX's working capital was $151.7 million and its current ratio was 2.6 to 1, excluding short-term debt. The Company's cash flow from operations decreased by $3.4 million to $20.5 million in 2001 principally reflecting lower income.

Cash flow provided from operations was more than adequate to fund capital expenditures of $5.3 million and $4.3 million in 2001 and 2000, respectively. Capital 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.

The Company completed the acquisitions of Liquid Controls and Class 1 for a cash purchase price of $109 million. The acquisitions were accounted for using the purchase method and were financed under the Company's U.S. Credit Facility. Interest is payable at rates averaging 5.25%.

At March 31, 2001, the maximum amount available under the U.S. Credit Facility was $235 million, of which $166.1 million was borrowed including $73.4 million in Western European currencies. The Western European currency borrowings provide an economic hedge against the net investment in Fluid Management's Netherlands operation, FAST's Italian operation and Micropump's Ismatec Switzerland operation, respectively. Any amount outstanding at July 1, 2001, becomes due at that date, accordingly, the Company has classified the borrowings under the U.S. Credit Facility, along with accrued interest, as short-term debt at March 31, 2001. The Company anticipates securing a similar credit facility prior to July 1, 2001. Interest is payable quarterly on the outstanding balance at the agent bank's reference rate or at LIBOR plus an applicable margin. At March 31, 2001, the applicable margin was 25 basis points. The Company pays an annual facility fee of 15 basis points on the total facility.

The Company also has an $8 million demand line of credit available for short-term borrowing requirements at the bank's reference rate or at an optional rate based on the bank's cost of funds. At March 31, 2001, the Company had $2 million borrowed under this short-term line of credit.

At March 31, 2001, the maximum amount available under the Company's German Facility was 37 million marks ($16.6 million), of which 16.5 million marks ($7.4 million) was being used, which provides an economic hedge against the net investment in the Company's Lukas subsidiary. Any amount outstanding at November 1, 2001, becomes due at that date. Interest is payable quarterly on the outstanding balance at LIBOR plus an applicable margin. At March 31, 2001, the applicable margin was 62.5 basis points.

IDEX believes it will generate sufficient cash flow from operations in 2001 to meet its operating requirements, interest and the demand line of credit and the German Facility, interest and principal payments on the Senior Notes, any share repurchases, approximately $25 million of planned capital expenditures, and approximately $17 million of annual dividend payments to holders of common stock. The Company also expects to secure similar credit facilities to its existing U.S. Credit Facility and German Facility prior to their expiration in 2001. From commencement of operations in January 1988 until March 31, 2001, IDEX has borrowed $783 million under its various credit agreements to complete 18 acquisitions. During this same period IDEX generated, principally from operations, cash flow of $620 million to reduce its indebtedness. In the event that suitable businesses 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.

EURO PREPARATIONS

Beginning in 1998, the Company upgraded its business systems to accommodate the euro currency. The cost of this upgrade was immaterial to the Company's financial results. Although difficult to predict, any competitive implications and any impact on existing financial instruments resulting from the euro implementation also are expected to be immaterial to the Company's results of operations, financial position or liquidity.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The Company is subject to market risk associated with changes in interest rates and foreign currency exchange rates. Interest rate exposure is limited to the $332.5 million of total debt of the Company outstanding at March 31, 2001. Approximately 54% of the debt is priced at interest rates that float with the market. A 50 basis point movement in the interest rate on the floating rate debt would result in an approximate $893,000 annualized increase or decrease in interest expense and cash flows. The remaining debt is either fixed rate debt or debt that has been essentially fixed through the use of interest rate swaps. The Company will from time to time enter into interest rate swaps on its debt when it believes there is a clear financial advantage for doing so. A formalized treasury risk management policy adopted by the Board of Directors exists that describes the procedures and controls over derivative financial and commodity instruments, including interest rate swaps. Under the policy, the Company does not use derivative financial or commodity instruments for trading purposes, and the use of such instruments is subject to strict approval levels by senior officers. Typically, the use of such derivative instruments is limited to interest rate swaps on the Company's outstanding long-term debt. The Company's exposure related to such derivative instruments is, in the aggregate, not material to the Company's financial position, results of operations and cash flows.

The Company's foreign currency exchange rate risk is limited principally to the euro, British pound and Swiss franc. The Company manages its foreign exchange risk principally through the invoicing of its customers in the same currency as the source of the products.

PART II.OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS. None.

ITEM 2. CHANGES IN SECURITIES. Not Applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES. None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS. The Company held its Annual Shareholders' Meeting on Tuesday, March 27, 2001. At the Annual Meeting, shareholders elected three directors to serve three-year terms on the Board of Directors of IDEX Corporation. The following persons received a majority of votes cast for Class III directors:

DIRECTOR	FOR	WITHHELD
Paul E. Raether...........................	27,689,742	807,452
Neil A. Springer..........................	27,684,924	812,270
Dennis K. Williams........................	27,689,819	807,375

In addition to the Class III directors named above, the following directors' terms also continued after the March 27, 2001, Annual Shareholders' Meeting:

Richard E. Heath;
Henry R. Kravis;
William H. Luers;
George R. Roberts; and
Michael T. Tokarz

Secondly, shareholders voted on the 2001 Stock Plan for Officers. The proposal received a majority of votes cast, specifically as follows:

Affirmative Votes.................................	21,537,776
Negative Votes....................................	6,914,650
Abstentions.......................................	44,767

Thirdly, shareholders voted on a new management incentive compensation plan titled, the Executive Incentive Bonus Plan (the "Incentive Plan") to govern the award and payment of cash bonuses to certain of the Company's executive officers. The proposal received a majority of votes cast, specifically as follows:

Affirmative Votes.................................	27,320,821
Negative Votes....................................	1,135,731
Abstentions.......................................	40,642

Additionally, shareholders voted on a proposal to appoint Deloitte & Touche LLP as auditors. The proposal received a majority of the votes cast as follows:

Affirmative Votes.................................	28,405,583
Negative Votes....................................	84,144
Abstentions.......................................	7,467

ITEM 5. OTHER INFORMATION. None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits:

The exhibits listed in the accompanying "Exhibit Index" are filed as part of this report.

(b) Reports on Form 8-K:

In a report dated March 2, 2001, and filed with Securities Commission on March 2, 2001, the Company reported that it expected earnings per diluted share for the first quarter of 2001 to be in the range of 32 to 37 cents. In the same period of 2000, IDEX earned 52 cents, and in the fourth quarter of 2000, the Company earned 44 cents. The decline in profits is primarily attributable to continuing weakness in several of the Company's important end-markets.

SIGNATURES

Pursuant to the requirements 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 in the capacity and on the date indicated.

IDEX CORPORATION

/s/ WAYNE P. SAYATOVIC

WAYNE P. SAYATOVIC
Senior Vice President -- Finance
and Chief Financial Officer
(Duly Authorized and Principal
Financial Officer)

May 11, 2001

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
3.1	Restated Certificate of Incorporation of IDEX Corporation (formerly HI, Inc.) (incorporated by reference to Exhibit No. 3.1 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-21205, as filed on April 21, 1988)
3.1(a)	Amendment to Restated Certificate of Incorporation of IDEX Corporation (formerly HI, Inc.), (incorporated by reference to Exhibit No. 3.1(a) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended March 31, 1996, Commission File No. 1-10235)
3.2	Amended and Restated By-Laws of IDEX Corporation (incorporated by reference to Exhibit No. 3.2 to Post-Effective Amendment No. 2 to the Registration Statement on Form S-1 of IDEX, 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 By-Laws of IDEX Corporation (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, et al., Registration No. 33-21205, as filed on February 12, 1990)
4.1	Restated Certificate of Incorporation and By-Laws of IDEX Corporation (filed as Exhibits No. 3.1 through 3.2(a))
4.2	Indenture, dated as of February 23, 1998, between IDEX Corporation, and Norwest Bank Minnesota, National Association, as Trustee, relating to the 6 7/8% Senior Notes of IDEX Corporation due February 15, 2008 (incorporated by reference to Exhibit No. 4.1 to the Current Report of IDEX on Form 8-K dated February 23, 1998, Commission File No. 1-10235)
4.3	Specimen Senior Note of IDEX Corporation (incorporated by reference to Exhibit No. 4.1 to the Current Report of IDEX on Form 8-K dated February 23, 1998, Commission File No. 1-10235)
4.4	Specimen Certificate of Common Stock of IDEX Corporation (incorporated by reference to Exhibit No. 4.3 to the Registration Statement on Form S-2 of IDEX, et al., Registration No. 33-42208, as filed on September 16, 1991)
4.5	Third Amended and Restated Credit Agreement dated as of July 17, 1996, among IDEX Corporation, Bank of America NT&SA, as Agent, and other financial institutions named therein (the "Banks") (incorporated by reference to Exhibit No. 4.5 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1996, Commission File No. 1-10235)
4.5(a)	First Amendment to the Third Amended and Restated Credit Agreement dated as of April 11, 1997 (incorporated by reference to Exhibit No. 4.5(a) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(b)	Second Amendment to the Third Amended and Restated Credit Agreement dated as of January 20, 1998 (incorporated by reference to Exhibit No. 4.5(b) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(c)	Third Amendment to the Third Amended and Restated Credit Agreement dated as of February 9, 1998 (incorporated by reference to Exhibit No. 4.5(c) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(d)	Fourth Amendment to the Third Amended and Restated Credit Agreement dated as of April 3, 1998 (incorporated by reference to Exhibit No. 4.5(d) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(e)	Fifth Amendment to the Third Amended and Restated Credit Agreement dated as of June 8, 1999 (incorporated by reference to Exhibit No. 4.5(e) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1999, Commission File No. 1-10235)

EXHIBIT NUMBER	DESCRIPTION
4.5(f)	Sixth Amendment to the Third Amended and Restated Credit Agreement dated August 18, 2000 (incorporated by reference to Exhibit No. 4.5(f) to the Annual Report of IDEX on Form 10-K for the year ended December 31, 2000, Commission File No. 1-10235)
*10.1**	Executive Incentive Bonus Plan dated March 27, 2001
*10.2**	2001 Stock Plan for Officers dated March 27, 2001

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* Filed herewith

** Management contract or compensatory plan or agreement.

EXHIBIT 10.1

EXECUTIVE INCENTIVE BONUS PLAN

SECTION 1 PURPOSE

This Executive Incentive Bonus Plan (the "Plan") is intended to enable IDEX Corporation (the "Company") to attract and retain highly qualified executives and to provide financial incentives to those executives in order to promote the success of the Company. The Plan is for the benefit of Eligible Executives (as defined below). The Plan is designed to ensure that the bonuses paid hereunder to Eligible Executives are deductible without limit under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations and interpretations promulgated thereunder.

SECTION 2 ELIGIBLE EXECUTIVES

"Eligible Executives" are defined as the Chief Executive Officer of the Company and any other officer of the Company designated by the Compensation Committee.

SECTION 3 ADMINISTRATION

The Compensation Committee of the Board of Directors (the "Board") shall have the sole discretion and authority to administer the Plan, interpret the terms and provisions of the Plan and to establish, adjust, pay or decline to pay bonuses under the Plan. The Compensation Committee shall consist of at least two members of the Board who shall qualify as "outside directors" under Section 162(m) of the Code.

SECTION 4 BONUS DETERMINATIONS

An Eligible Executive may receive a bonus payment under the Plan based upon the attainment of performance goals established by the Compensation Committee, which relate to the achievement of positive "Operating Income." For purposes of the Plan, "Operating Income" shall mean income from operations of the Company, before extraordinary items, interest and taxes.

Within the first ninety (90) days of each fiscal year (or such other period as may be permitted by Section 162(m) of the Code), the Compensation Committee will designate those Eligible Executives who are to be participants in the Plan for that fiscal year and will specify the objective terms and conditions for the determination and payment of a bonus for each participant. The objective terms and conditions relating to Operating Income set by the Compensation Committee may include, but are not limited to, sales growth and increase in operating margins. In the event of a change in the Company's fiscal year, the Plan shall apply, with appropriate pro-rata adjustments, to any fiscal period not consisting of twelve months.

No bonuses shall be paid to a participant unless and until the Compensation Committee makes a certification in writing with respect to the attainment of the performance objectives as required by Section 162(m) of the Code. Although the Compensation Committee may in its sole discretion reduce a bonus payable to a participant based on such objective and/or subjective factors as it may determine, the Compensation Committee shall have no discretion to increase the amount of a participant's bonus as determined under the applicable objective terms and conditions established for such bonus amount.

The maximum bonus that may be payable to any participant for any fiscal year may not exceed 2.0% of the Company's Operating Income for that fiscal year.

Following the Compensation Committee's determination and certification of the amount of any bonus payable, such amount will be paid in cash (subject to any election made by an Eligible Executive with respect to the deferral of all or a portion of his or her bonus or the payment of all or a portion of his or her bonus in some form other than cash). Payment of the bonus amount will be made as soon as feasible after the Compensation Committee's certification of the amount payable but not after two and one-half months following the end of the fiscal year to which the bonus relates.

SECTION 5 AMENDMENT AND TERMINATION

The Company reserves the right to amend or terminate the Plan at any time in its sole discretion. Any amendments to the Plan shall require shareholder approval only to the extent required by Section 162(m) of the Code.

SECTION 6 SHAREHOLDER APPROVAL

No bonuses shall be paid under the Plan unless and until the Company's shareholders shall have approved the Plan and the performance goals as required by Section 162(m) of the Code. The Plan will be in effect from the time of shareholder approval to the tenth anniversary of the date of such approval. If the Plan is amended in any way that changes the material terms of the Plan's performance goals, including by materially modifying the performance goals, increasing the maximum bonus payable under the Plan or changing the Plan's eligibility requirements, the Plan shall be resubmitted to the Company's shareholders for approval as required by Section 162(m) of the Code.

* * * *

I hereby certify that the foregoing Plan was duly approved by the Board of Directors of IDEX Corporation effective November 28, 2000.

Executed on this ____ day of ___________, 2001.

Secretary

EXHIBIT 10.2

2001 STOCK PLAN FOR OFFICERS OF IDEX CORPORATION

IDEX Corporation, a Delaware corporation (the "Company"), by resolution of its Board of Directors, on January 23, 2001 approved the 2001 Stock Plan for Officers of IDEX Corporation (the "Original Plan"), subject to approval of the Company's shareholders. The purposes of this Plan are as follows:

(1) To further the growth, development and financial success of the Company by providing additional incentives to certain of its Officers who have been or will be given responsibility for the management or administration of the Company's business affairs, by assisting them to become owners of the Company's Common Stock and thus to benefit directly from its growth, development and financial success.

(2) To enable the Company to obtain and retain the services of the type of managerial employees considered essential to the long-range success of the Company by providing and offering them an opportunity to become owners of the Company's Common Stock under options and/or deferred compensation awards (pursuant to this Plan and any Deferred Compensation Plans that permit deferrals into accounts distributable in Common Stock after the deferral period).

ARTICLE I

DEFINITIONS

Whenever the following terms are used in this Plan, they shall have the meaning specified below unless the context clearly indicates to the contrary. The singular shall include the plural, where the context so indicates.

SECTION 1.1 BOARD

"Board" shall mean the Board of Directors of the Company.

SECTION 1.2 CHANGE IN CONTROL

"Change in Control" shall mean the occurrence of (a) any transaction or series of transactions which within a 12-month period constitute a change of management or control where (i) at least 51 percent of the then outstanding shares of Common Stock are (for cash, property (including, without limitation, stock in any corporation), or indebtedness, or any combination thereof) redeemed by the Company or purchased by any person(s), firm(s) or entity(ies), or exchanged for shares in any other corporation whether or not affiliated with the Company, or any combination of such redemption, purchase or exchange, or (ii) at least 51 percent of the Company's assets are purchased by any person(s), firm(s) or entity(ies) whether or not affiliated with the Company for cash, property (including, without limitation, stock in any corporation) or indebtedness or any combination thereof, or (iii) the Company is merged or consolidated with another corporation regardless of whether the Company is the survivor (except any such transaction solely for the purpose of changing the Company's domicile or which does not change the ultimate beneficial ownership of the equity interests in the Company), or (b) any substantial equivalent of any such redemption, purchase, exchange, change, transaction or series of transactions, acquisition, merger or consolidation constituting such a change of management or control. For purposes hereof, the term "control" shall have the meaning ascribed thereto under the Exchange Act and the regulations thereunder, and the term "management" shall mean the chief executive officer of the Company. For purposes of clause (a)(ii) above or as appropriate for purposes of clause (b) above, the Company 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.

SECTION 1.3 CODE

"Code" shall mean the Internal Revenue Code of 1986, as amended.

SECTION 1.4 COMMITTEE

"Committee" shall mean the Compensation Committee of the Board, appointed as provided in Section 7.1.

SECTION 1.5 COMMON STOCK

"Common Stock" shall mean the common stock, par value $.01 per share, of the Company.

SECTION 1.6 COMPANY

"Company" shall mean IDEX Corporation.

SECTION 1.7 DEFERRAL DATE

"Deferral Date" shall mean, in connection with any Deferred Compensation Unit, the date on which any deferred compensation with respect thereto would have been paid if no deferral election had been made.

SECTION 1.8 DEFERRED COMPENSATION PLANS

"Deferred Compensation Plans" shall mean any deferred compensation plan adopted by the Company or any Parent Corporation or any Subsidiary that permits deferrals into accounts payable in Common Stock upon distribution thereof and in which any Officer is eligible to participate.

SECTION 1.9 DEFERRED COMPENSATION UNITS

"Deferred Compensation Units" shall mean the right of a Grantee to receive distributions of deferred compensation pursuant to any Deferred Compensation Plan in the form of Common Stock after the deferral period, determined in accordance with the terms of such Deferred Compensation Plan and Article VI of this Plan and based on the Fair Market Value on the deferral date.

SECTION 1.10 DIRECTOR

"Director" shall mean a member of the Board.

SECTION 1.11 DIVIDEND EQUIVALENTS

"Dividend Equivalents" shall mean Deferred Compensation Units equal to (i)(a) the cash dividend paid on one share of Common Stock, multiplied by (b) the number of Deferred Compensation Units credited to the account of any Grantee as of each applicable dividend record date, divided by (ii) the Fair Market Value on the related dividend payment date.

SECTION 1.12 EMPLOYEE

"Employee" shall mean any employee (as defined in accordance with the regulations and revenue rulings then applicable under Section 3401(c) of the Code) of the Company, or of any corporation which is then a Parent Corporation or a Subsidiary, whether such employee is so employed at the time this Plan is adopted or becomes so employed subsequent to the adoption of this Plan.

SECTION 1.13 EXCHANGE ACT

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

SECTION 1.14 FAIR MARKET VALUE

"Fair Market Value" of the Common Stock shall mean as of a given date: (i) if Common Stock is traded on an exchange when the closing price of a share of Common Stock as reported in the Wall Street Journal for the first trading date immediate prior to such date during which a sale occurred; or (ii) if Common Stock is not traded on an exchange but is quoted on NASDAQ or a successor or other quotation system, (x) the last sales price (if the Common Stock is then listed as a National Market Issue under the NASD National Market System) or (y) the mean between the closing representative bid and asked prices (in all other cases) for the Common Stock on the date immediately prior to such date on which sales prices or bid and asked prices, as applicable, are reported by NASDAQ or such successor quotation system; or (iii) if such Common Stock is not publicly traded on an exchange and not quoted on NASDAQ or a successor quotation system, the mean between the closing bid and asked prices for the Common Stock on the day previous to such date, as determined in good faith by the Committee; or (iv) if the Common Stock is not publicly traded, the fair market value established by the Committee acting in good faith.

SECTION 1.15 GRANTEE

"Grantee" shall mean an Officer to whom Deferred Compensation Units are awarded pursuant to this Plan.

SECTION 1.16 INCENTIVE STOCK OPTION

"Incentive Stock Option" shall mean an Option which conforms to the applicable provisions of Section 422 of the Code and which is designated as an Incentive Stock Option by the Committee.

SECTION 1.17 NON-QUALIFIED OPTION

"Non-Qualified Option" shall mean an Option which is not designated as an Incentive Stock Option by the Committee.

SECTION 1.18 OFFICER

"Officer" shall mean an officer of the Company, as defined in Rule 16a-l(f) under the Exchange Act, as such Rule may be amended in the future.

SECTION 1.19 OPTION

"Option" shall mean a stock option granted under Article III of this Plan. An Option granted under this Plan shall, as determined by the Committee, be either a Non-Qualified Option or an Incentive Stock Option.

SECTION 1.20 OPTIONEE

"Optionee" shall mean an Employee to whom an Option is granted under the Plan.

SECTION 1.21 PARENT CORPORATION

"Parent Corporation" shall mean any corporation in an unbroken chain of corporations ending with the Company if each of the corporations other than the Company then owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

SECTION 1.22 PERMITTED TRANSFEREE

"Permitted Transferee" shall mean (a) the spouse, children or grandchildren of the Optionee ("Immediate Family"), (b) a trust for the benefit of the Optionee or the Optionee's Immediate Family, or (c) a partnership, limited liability corporation or other entity ("Entity") in which the Optionee or the Optionee's Immediate Family are the only partners, members or holders of interests.

SECTION 1.23 PLAN

"Plan" shall mean this 2001 Stock Plan for Officers of IDEX Corporation.

SECTION 1.24 RETIREMENT

"Retirement" shall mean termination of employment with the Company upon reaching retirement age, or earlier, at the election of the Officer, in accordance with the Company's policy on retirement.

SECTION 1.25 RULE 16B-3

"Rule 16b-3" shall mean that certain Rule 16b-3 under the Exchange Act, as such Rule may be amended in the future.

SECTION 1.26 SECRETARY

"Secretary" shall mean the Secretary of the Company.

SECTION 1.27 SECURITIES ACT

"Securities Act" shall mean the Securities Act of 1933, as amended.

SECTION 1.28 SUBSIDIARY

"Subsidiary" shall mean any corporation in an unbroken chain of corporations beginning with the Company if each of the corporations other than the last corporation in the unbroken chain then owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

SECTION 1.29 TERMINATION OF EMPLOYMENT

"Termination of Employment" shall mean (unless otherwise specified in any applicable Deferred Compensation Plan) the time (which in the absence of any other determination by the Committee, shall be deemed to be the last day actually worked by the Optionee or Grantee) when the employee-employer relationship between the Optionee or Grantee and the Company, a Parent Corporation or a Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death or Retirement, but excluding terminations where there is a simultaneous reemployment by the Company, a Parent Corporation or a Subsidiary. The Committee, in its absolute discretion, shall determine the effect of all other matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a Termination of Employment resulted from a discharge for good cause, and all questions of whether particular leaves of absence constitute Terminations of Employment; provided, however, that, with respect to Incentive Stock Options, a leave of absence shall constitute a Termination of Employment if, and to the extent that, such leave of absence interrupts employment for the purposes of Section 422(a)(2) of the Code and the then applicable regulations and revenue rulings under said Section.

ARTICLE II

GENERAL CONDITIONS

SECTION 2.1 SHARES SUBJECT TO PLAN

The shares of stock subject to Options and awards of Deferred Compensation Units shall be shares of the Common Stock. The aggregate number of such shares which may be issued upon exercise of Options and distributed pursuant to Deferred Compensation Units under the Plan shall not exceed 900,000 shares (of which no more than 300,000 shares may be issued pursuant to Deferred Compensation Units). Furthermore, the maximum number of shares of Common Stock which may be subject to Options granted or Deferred Compensation Units issued under the Plan to any individual in any calendar year shall not exceed 600,000, and the method of counting such shares shall conform to any requirements applicable to performance-based compensation under Section 162(m) of the Code. The shares of Common Stock issuable upon exercise of such Options or upon distributions with respect to any such Deferred Compensation Units may be either previously authorized and unissued shares or treasury shares.

SECTION 2.2 UNEXERCISED OPTIONS AND UNDISTRIBUTED SHARES

If any Option expires or is cancelled without having been fully exercised, the number of shares subject to such Option but as to which such Option was not exercised prior to its expiration or cancellation may again be either optioned or awarded hereunder, subject to the limitations of Section 2.1.

SECTION 2.3 CHANGES IN COMPANY'S SHARES

In the event that the outstanding shares of Common Stock of the Company are hereafter changed into or exchanged for a different number or kind of shares or other securities of the Company, or of another corporation, by reason of reorganization, merger, consolidation, recapitalization, reclassification, stock split-up, stock dividend or combination of shares, appropriate adjustments shall be made by the Committee in the number and kind of shares for the purchase of which Options may be granted or which are distributable pursuant to Deferred Compensation Units, including adjustments of the limitations in Section 2.1 on the maximum number and kind of shares which may be issued on exercise of Options and distributed with respect to Deferred Compensation Units hereunder; provided, however, that in the case of Incentive Stock Options, each such adjustment shall be made in such manner as not to constitute a "modification" within the meaning of Section 424(h)(3) of the Code. In the event of an adjustment contemplated by this Section 2.3 in any outstanding Options or Deferred Compensation Units, the Committee shall make an appropriate and equitable adjustment to the end that after such event the proportionate interest of the Optionee (or other person then entitled to exercise Options) or Grantee shall be maintained as before the occurrence of such event. Such adjustment in any outstanding Options or Deferred Compensation Units shall be made without change in the total price applicable to the Option or the unexercised portion of the Option or the aggregate value of undistributed Common Stock with respect to any Deferred Compensation Units (except for any change in the aggregate price resulting from rounding-off of share quantities or prices) and with any necessary corresponding adjustment in the Option price per share. In the event of a "spin-off" or other substantial distribution of assets of the Company which has a material diminutive effect upon Fair Market Value, the Committee may in its discretion make an appropriate and equitable adjustment to the Option exercise price or the number of shares of Common Stock distributable pursuant to Deferred Compensation Units to reflect such diminution. Any such adjustment made by the Committee shall be final and binding upon all Optionees or other persons then entitled to exercise Options, Grantees, the Company and all other interested persons.

Notwithstanding the foregoing, in the event of such a reorganization, merger, consolidation, recapitalization, reclassification, stock split-up, stock dividend or combination, or other adjustment or event which results in shares of Common Stock being exchanged for or converted into cash, securities or other property, the Company will have the right to terminate this Plan as of the date of the exchange or conversion, in which case all Options and Deferred Compensation Units under this Plan shall become the right to receive such cash, securities or other property, net of any applicable exercise price.

SECTION 2.4 CONDITIONS TO ISSUANCE OF STOCK CERTIFICATES

The Company shall not be required to issue or deliver any certificate or certificates for shares of Common Stock purchased upon the exercise of any Option or upon distribution pursuant to any Deferred Compensation Units, or portion thereof, prior to fulfillment of all of the following conditions:

(a) The admission of such shares to listing on all stock exchanges on which the Common Stock is then listed; and

(b) The completion of any registration or other qualification of such shares under any state or federal law or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body, which the Committee shall, in its absolute discretion, deem necessary or advisable; and

(c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Committee shall, in its absolute discretion, determine to be necessary or advisable; and

(d) The payment to the Company (or other employer corporation) of all amounts which it is required to withhold under federal, state or local law in connection with the exercise of the Option or upon distribution pursuant to the Deferred Compensation Units; and

(e) The lapse of such reasonable period of time following the exercise of the Option or the distribution pursuant to the Deferred Compensation Units as the Committee may establish from time to time for reasons of administrative convenience.

SECTION 2.5 MERGER, CONSOLIDATION, ACQUISITION, LIQUIDATION OR DISSOLUTION

Notwithstanding any other provision of this Plan, in its absolute discretion, and on such terms and conditions as it deems appropriate, the Committee may provide by the terms of any Option that such Option cannot be exercised after a Change in Control or the liquidation or dissolution of the Company (collectively, "Control Events"); and if the Committee so provides, it may, in its absolute discretion, on such terms and conditions as it deems appropriate, also provide, either by the terms of any Option or by a resolution adopted prior to the occurrence of such Control Event, that, for some period of time beginning prior to and ending as of (and including) the time of such event, such Option shall be exercisable as to all shares covered thereby, notwithstanding anything to the contrary in Section 4.3(a), Section 4.3(b) or any installment provisions of any Option. The treatment of Deferred Compensation Units and the shares distributable with respect to such Units upon the occurrence of any Control Event shall be governed by the applicable Deferred Compensation Plan.

SECTION 2.6 RIGHTS AS SHAREHOLDERS

The holders of Options and Deferred Compensation Units shall not be, nor have any of the rights or privileges of, shareholders of the Company in respect of any shares purchasable upon the exercise of any part of an Option or distributable pursuant to a Deferred Compensation Unit unless and until certificates representing such shares have been issued by the Company to such holders.

SECTION 2.7 TRANSFER RESTRICTIONS

The Committee, in its absolute discretion, may impose such restrictions on the transferability of the shares purchasable upon the exercise of an Option or distribution pursuant to Deferred Compensation Units as it deems appropriate. Any such restriction shall be set forth in the respective Stock Option Agreement or award of Deferred Compensation Units and may be referred to on the certificates evidencing such shares. The Committee will require an Officer to give the Company prompt notice of any disposition of shares of Common Stock acquired by exercise of an Incentive Stock Option within (i) two years from the date of granting such Option to such Officer or (ii) one year after the transfer of such shares to such Officer. The Committee may direct that the certificates evidencing shares acquired by exercise of an Option refer to such requirement to give prompt notice of disposition.

SECTION 2.8 NO RIGHT TO CONTINUED EMPLOYMENT

Nothing in this Plan or in any Stock Option Agreement or Deferred Compensation Plan shall confer upon any Optionee or Grantee any right to continue in the employ of the Company, any Parent Corporation or any Subsidiary or shall interfere with or restrict in any way the rights of the Company, its Parent Corporation and its Subsidiaries, which are hereby expressly reserved, to discharge any Optionee or Grantee at any time for any reason whatsoever, with or without cause.

ARTICLE III

GRANTING OF OPTIONS

SECTION 3.1 ELIGIBILITY

Any Officer of the Company shall be eligible to be granted Options under the Plan, as provided in Section 3.3.

SECTION 3.2 QUALIFICATION OF INCENTIVE STOCK OPTIONS

No Incentive Stock Option shall be granted unless such Option, when granted, qualifies as an "incentive stock option" under Section 422 of the Code. Without limitation of the foregoing, no person shall be granted an Incentive Stock Option under this Plan if such person, at the time the Incentive Stock Option is granted, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company unless such Incentive Stock Option conforms to the applicable provisions of Section 422 of the Code. Any Incentive Stock Option granted under this Plan may be modified by the Committee to disqualify such option from treatment as an "incentive stock option" under Section 422 of the Code.

SECTION 3.3 GRANTING OF OPTIONS

(a) The Committee shall from time to time, in its absolute discretion:

(i) Determine and select from among the Officers (including those to whom Options have been previously granted under the Plan) such of them as in its opinion should be granted Options; and

(ii) Determine the number of shares to be subject to such Options granted to such selected Officers; and

(iii) Determine whether such Options are to be Incentive Stock Options or Non-Qualified Options; and

(iv) Determine the terms and conditions of such Options, consistent with the Plan.

(b) Upon the selection of an Officer to be granted an Option, the Committee shall instruct the Secretary to issue such Option and may impose such conditions on the grant of such Option as it deems appropriate. Without limiting the generality of the preceding sentence, the Committee may, in its discretion and on such terms as it deems appropriate, require as a condition on the grant of an Option to an Officer that the Officer surrender for cancellation some or all of the unexercised Options which have been previously granted to such Officer. An Option the grant of which is conditioned upon such surrender may have an option price lower (or higher) than the option price of the surrendered Option, may cover the same (or a lesser or greater) number of shares as the surrendered Option, may contain such other terms as the Committee deems appropriate and shall be exercisable in accordance with its terms, without regard to the number of shares, price, option period or any other term or condition of the surrendered Option.

ARTICLE IV

TERMS OF OPTIONS

SECTION 4.1 OPTION AGREEMENT

Each Option shall be evidenced by a written Stock Option Agreement, which shall be executed by the Optionee and an authorized Officer of the Company and which shall contain such terms and conditions as the Committee shall determine, not inconsistent with the Plan. Stock Option Agreements evidencing Incentive Stock Options shall contain such terms and conditions as may be necessary to meet the applicable provisions of Section 422 of the Code.

SECTION 4.2 OPTION PRICE

The price per share of the shares subject to each Option shall be set by the Committee; provided, however, that the price per share shall not be less than 100% of the Fair Market Value as of the date such Option is granted.

SECTION 4.3 COMMENCEMENT OF EXERCISABILITY

(a) Except as the Committee may otherwise provide, no Option may be exercised in whole or in part during the first year after such Option is granted.

(b) Subject to the provisions of Sections 4.3(a) and 4.3(c), Options shall become exercisable at such times and in such installments (which may be cumulative) as the Committee shall provide in the terms of each individual Option; provided, however, that by a resolution adopted after an Option is granted the Committee may, on such terms and conditions as it may determine to be appropriate and subject to Sections 4.3(a) and 4.3(c), accelerate the time at which such Option or any portion thereof may be exercised.

(c) No portion of an Option which is unexercisable at Termination of Employment shall thereafter become exercisable; provided, however, that in the event of a Termination of Employment resulting from the Optionee's death, disability or Retirement, all Options shall become exercisable, effective immediately upon the occurrence of such event.

(d) To the extent that the aggregate Fair Market Value with respect to which "incentive stock options" (within the meaning of Section 422 of the Code, but without regard to the limitations of Section 422(d) of the Code) are exercisable for the first time by an Optionee during any calendar year (under the Plan and all other incentive stock option plans of the Company and any Parent Corporation or any Subsidiary) exceeds $100,000, such Options shall be treated as Non-Qualified Options to the extent required by Section 422 of the Code. The rule set forth in the preceding sentence shall be applied by taking Options into account in the order in which they were granted. For purposes of this Section 4.3(d), the Fair Market Value shall be determined as of the time the Option with respect to such stock is granted.

SECTION 4.4 EXPIRATION OF OPTIONS

(a) No Option may be exercised to any extent by anyone after, and every Option shall expire no later than, the expiration of ten years from the date the Option was granted.

(b) Subject to the provisions of Sections 4.4(a) and 4.4(c), the Committee shall provide, in the terms of each individual Option, when such Option expires and becomes unexercisable.

(c) The term of any Incentive Stock Option shall not be more than five years from such date if the Incentive Stock Option is granted to an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of capital stock of the Company or any Parent Corporation or any Subsidiary.

SECTION 4.5 CONSIDERATION

In consideration of the granting of an Option, the Optionee shall agree, in the written Stock Option Agreement, to remain in the employ of the Company, a Parent Corporation or a Subsidiary, with such duties and responsibilities as the Company shall from time to time prescribe.

SECTION 4.6 TERMINATION OF INCENTIVE STOCK OPTION GRANTS UNDER PLAN

In no event may any Incentive Stock Option be granted under the Plan after January 23, 2011.

ARTICLE V

EXERCISE OF OPTIONS

SECTION 5.1 PERSON ELIGIBLE TO EXERCISE

Except as otherwise provided in Section 8.1, during the lifetime of the Optionee, only such Optionee may exercise an Option (or any portion thereof) granted to such Optionee. After the death of the Optionee, any exercisable portion of an Option may, prior to the time when such portion becomes unexercisable under the Plan or the applicable Stock Option Agreement, be exercised by such Optionee's Beneficiary. "Beneficiary" shall mean any one or more persons, corporations, trusts, estates, or any combination thereof, last designated by an Optionee in accordance with the applicable Stock Option Agreement.

SECTION 5.2 PARTIAL EXERCISE

At any time and from time to time prior to the time when any exercisable Option or exercisable portion thereof becomes unexercisable under the Plan or the applicable Stock Option Agreement, such Option or portion thereof may be exercised in whole or in part; provided, however, that the Company shall not be required to issue fractional shares and the Committee may, by the terms of the Option, require any partial exercise to be with respect to a specified minimum number of shares.

SECTION 5.3 MANNER OF EXERCISE

An exercisable Option, or any exercisable portion thereof, may be exercised solely by delivery to the Secretary or the Secretary's office of all of the following prior to the time when such Option or such portion becomes unexercisable under the Plan or the applicable Stock Option Agreement:

(a) Notice in writing signed by the Optionee or other person then entitled to exercise such option or portion, stating that such Option or portion is exercised, such notice complying with all applicable rules established by the Committee;

(b) Full payment (in cash or by check) for the shares with respect to which such Option or portion thereof is exercised, including payment to the Company (or other employer corporation) of all amounts which it is required to withhold under federal, state or local law in connection with the exercise of the Option. However, in the discretion of the Committee, payment may be made, in whole or in part, through (i) the delivery of shares of Common Stock owned by the Optionee or other person then entitled to exercise such Option for a period of at least six months, duly endorsed for transfer to the Company with a Fair Market Value on the date of delivery equal to that portion of the aggregate exercise price of the Option or exercised portion thereof plus the amount of the applicable withholding tax for which such payment is permitted by the Committee; (ii) the surrender of shares of Common Stock then issuable upon exercise of the Option having a Fair Market Value on the date of Option exercise equal to that portion of the aggregate exercise price of the Option or exercise portion thereof, plus the amount of the applicable withholding tax, for which such payment is permitted by the Committee; (iii) the delivery of a full recourse promissory note bearing interest (at no less than such rate as shall then preclude the imputation of interest under the Code) and payable upon such terms as may be prescribed by the Committee; (iv) to the extent permitted by law (including then-existing interpretations of Rule 16b-3), a "cashless exercise procedure" satisfactory to the Committee which permits the Optionee or other person then entitled to exercise such Option to deliver an exercise notice to a broker-dealer, who then sells Option shares, delivers the proceeds of the sale, less commission, to the Company, which delivers such proceeds, less the exercise price and withholding taxes, to the Optionee or other person then entitled to exercise such Option, or (v) any combination of the consideration provided in the foregoing subparagraphs (i), (ii), (iii) and (iv). In the case of a promissory note, the Committee may also prescribe the form of such note and the security (if any) to be given for such note. Notwithstanding the foregoing, the Option may not be exercised by delivery of a promissory note or by a loan from the Company where such loan or other extension of credit is prohibited by law;

(c) Such representations and documents as the Committee, in its absolute discretion, deems necessary or advisable to effect compliance with all applicable provisions of the Securities Act and any other federal or state securities laws or regulations. The Committee may, in its absolute discretion, also take whatever additional actions it deems appropriate to effect such compliance including, without limitation, placing legends on share certificates and issuing stop-transfer orders to transfer agents and registrars; and

(d) In the event that the Option or portion thereof shall be exercised pursuant to Section 5.1 by any person or persons other than the Optionee, appropriate proof of the right of such person or persons to exercise the Option or portion thereof.

ARTICLE VI

DEFERRED COMPENSATION UNITS

SECTION 6.1 GRANTING OF DEFERRED COMPENSATION UNITS

To the extent elected by any Grantee and permitted by any Deferred Compensation Plan, the Committee may award Deferred Compensation Units to any Grantee in lieu of all or any portion of the compensation deferred by the Grantee, including without limitation, salary and bonuses, that would otherwise be payable to such Grantee in cash. Deferred Compensation Units may be awarded, in the discretion of the Committee, either (i) with respect to any deferral by any Grantee who so elects, or (ii) with respect to all or a specified maximum portion of the amount of compensation deferred or to be deferred under any Deferred Compensation Plan for any fiscal year or longer period by any Grantee or group of Grantees who may deliver one or more irrevocable written elections to the Company to receive Deferred Compensation Units in lieu of all or such portion of such cash compensation as shall be specified in such election.

SECTION 6.2 EFFECT OF GRANTS

The number of shares of Common Stock distributable pursuant to each Deferred Compensation Unit shall be charged against the maximum number of shares of Common Stock that may be issued under this Plan at any time. The number of shares of Common Stock to be distributed to a Grantee at such time as such distribution is to be made consistent with the terms of the applicable Deferred Compensation Plan and such deferral, and to be charged against the number of shares issuable under this Plan at any time, shall equal the number of Deferred Compensation Units credited to the account of such Grantee, subject to Section 2.1.

SECTION 6.3 ACCOUNTING; FRACTIONAL UNITS

(a) The number of Deferred Compensation Units credited to the account of any Grantee shall be rounded to the nearest one-thousandth of a Unit. The account to which Deferred Compensation Units are credited shall be an unsecured, unfunded general obligation of the Company. The Company will maintain records of the number of Deferred Compensation Units for the account of each officer, in part, to prevent an issuance of shares of Common Stock in excess of the authorized shares.

(b) Notwithstanding paragraph (a) above, upon distribution of any Common Stock represented by Deferred Compensation Units, the number of shares shall be rounded downward to the nearest whole share and no fractional shares shall be issued. Fractional Units remaining after the final distribution to any Grantee shall be cancelled without obligation to the Grantee.

(c) The number of Deferred Compensation Units awarded to each Grantee, together with any conditions applicable thereto pursuant to this Plan, shall be specified in writing to each Grantee by the Committee after each Deferral Date.

ARTICLE VII

ADMINISTRATION

SECTION 7.1 COMPENSATION COMMITTEE

The Compensation Committee shall consist of two or more Directors, appointed by and holding office at the pleasure of the Board, none of whom may (i) be an Officer, (ii) receive compensation, either directly or indirectly, from the Company or any Parent Corporation or Subsidiary, for services rendered in any capacity other than as a Director, except for an amount that does not exceed the dollar amount for which disclosure would be required pursuant to Item 404 of Regulation S-K ("Item 404"), (iii) possess an interest in any other transaction for which disclosure would be required pursuant to Item 404 or (iv) be engaged in a business relationship for which disclosure would be required pursuant to Item 404. The constitution of the Committee must also comply with the requirements of Section 162(m) of the Code. The failure of the constitution of the Committee to comply with the foregoing requirements shall not adversely affect the validity of any shares issued upon exercise of Options or distributed pursuant to Deferred Compensation Units under the Plan. Appointment of Committee members shall be effective upon acceptance of appointment. Committee members may resign at any time. Vacancies in the Committee shall be filled by the Board.

SECTION 7.2 DUTIES AND POWERS OF COMMITTEE

It shall be the duty of the Committee to conduct the general administration of the Plan in accordance with its provisions. The Committee shall have the power to interpret the Plan, the Options and the Deferred Compensation Plans pursuant to which Deferred Compensation Units are granted and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. Any such interpretations and rules in regard to Incentive Stock Options shall be consistent with the basic purpose of the Plan to grant "incentive stock options" within the meaning of Section 422 of the Code. In its absolute discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under this Plan except with respect to matters which under Section 162(m) of the Code, or any regulations or rules issued thereunder, are required to be determined in the sole discretion of the Committee.

SECTION 7.3 MAJORITY RULE

The Committee shall act by a majority of its members in office. The Committee may act either by vote at a meeting or by a memorandum or other written instrument signed by a majority of the Committee.

SECTION 7.4 COMPENSATION; PROFESSIONAL ASSISTANCE; GOOD FAITH ACTIONS

Members of the Committee shall receive such compensation for their services as members as may be determined by the Board. All expenses and liabilities incurred by members of the Committee in connection with the administration of the Plan shall be borne by the Company. The Committee may employ attorneys, consultants, accountants, appraisers, brokers or other persons. The Committee, the Company and its Officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and binding upon all Optionees or other persons then entitled to exercise Options, Grantees, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Options or Deferred Compensation Units, and all members of the Committee shall be fully protected by the Company in respect to any such action, determination or interpretation.

ARTICLE VIII

OTHER PROVISIONS

SECTION 8.1 TRANSFER RESTRICTIONS ON OPTIONS AND UNITS

No Option, Deferred Compensation Unit or interest or right therein or part thereof shall be liable for the debts, contracts or engagements of the Optionee, Grantee or their respective successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that nothing in this Section 8.1 shall prevent transfers to a Beneficiary upon the death of the Optionee or pursuant to the following paragraph.

A Non-Qualified Option may be transferred by the Optionee to a Permitted Transferee; provided, however, that (i) there may not be consideration for any such transfer, and (ii) once transferred pursuant to the preceding provisions of this Section 8.1, no subsequent transfer of the Non-Qualified Option shall be permitted except a transfer by will or the laws of descent and distribution or, in the case of a trust or Entity which is a Permitted Transferee, to the Optionee or Immediate Family partners, members or holders of interests in the trust or Entity pursuant to the terms of such trust or Entity agreement. Following transfer, the terms and conditions of the Plan and the applicable Stock Option Agreement shall continue to be applicable in all respects to the Optionee and the Non-Qualified Option shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer as if the Non-Qualified Option had not been transferred, including, but not limited to, the terms and conditions with respect to the lapse and termination of such Non-Qualified Option. None of the Company, the Committee or the Optionee shall have any obligation to inform any transferee of the termination or lapse of the Non-Qualified Option for any reason. Notwithstanding any other provision of the Plan, any Non-Qualified Option transferred in accordance with this Section 8.1 shall be exercisable by the transferee only to the extent, and for the periods specified in the applicable Stock Option Agreement as if such Non-Qualified Option had not been transferred.

SECTION 8.2 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

The Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Committee. However, unless otherwise determined by the Board and permitted by Rule 16b-3 as then in effect, without approval of the Company's shareholders given within 12 months before or after the action by the Committee, no action of the Committee may, except as provided in Section 2.3, increase the limits imposed in Section 2.1 on the maximum number of shares which may be issued on exercise of Options or distributed pursuant to Deferred Compensation Units, materially modify the eligibility requirements of Section 3.1, reduce the minimum Option price requirements of Section 4.2(a) or extend the limit imposed in this Section 8.2 on the period during which Options may be granted or amend or modify the Plan in a manner requiring shareholder approval under Rule 16b-3 or the Code. Neither the amendment, suspension nor termination of the Plan shall, without the consent of the holder of an Option or Deferred Compensation Unit, impair any rights or obligations under any Option or Deferred Compensation Unit theretofore granted. No Option or Deferred Compensation Unit (except Dividend Equivalents) may be granted during any period of suspension nor after termination of the Plan, and, except as provided in Section 4.6, in no event may any Option or Deferred Compensation Unit (except Dividend Equivalents) be granted under this Plan after ten years from the date the Plan is approved by the Company's Shareholders.

SECTION 8.3 EFFECT OF PLAN UPON OTHER OPTION AND COMPENSATION PLANS

The adoption of this Plan shall not affect any other compensation or incentive plans in effect for the Company, any Parent Corporation or any Subsidiary. Nothing in this Plan shall be construed to limit the right of the Company, any Parent Corporation or any Subsidiary (a) to establish any other forms of incentives or compensation for employees of the Company, any Parent Corporation or any Subsidiary or (b) to grant or assume options otherwise than under this Plan in connection with any proper corporate purpose, including, but not by way of limitation, the grant or assumption of options in connection with the acquisition by purchase, lease, merger, consolidation or otherwise, of the business, stock or assets of any corporation, firm or association.

SECTION 8.4 TITLES

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of the Plan.

SECTION 8.5 CONFORMITY TO SECURITIES LAWS AND OTHER STATUTORY REQUIREMENTS

The Plan is intended to conform to the extent necessary with all provisions of the Securities Act, the Exchange Act and the Code and any and all regulations and rules promulgated by the Securities and Exchange Commission and Internal Revenue Service thereunder, including without limitation Rule 16b-3 of the Exchange Act. Notwithstanding anything herein to the contrary, the Plan shall be administered, and Options and Deferred Compensation Units shall be granted and may be exercised or distributed, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan, Options and Deferred Compensation Units granted hereunder shall be deemed amended to the extent necessary to conform to such laws, rules and regulations. Without limitation of the foregoing and notwithstanding any other provision of this Plan, any Option or Deferred Compensation Units granted to an Officer who is then subject to Section 16 of the Exchange Act, shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule, and this Plan shall be deemed amended to the extent necessary to conform to such limitations. Furthermore, notwithstanding any other provision of this Plan, any Option or award intended to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code shall be subject to any additional limitations set forth in Section 162(m) of the Code (including any amendment to Section 162(m) of the Code) or any regulations or rulings issued thereunder that are requirements for qualification as performance-based compensation as described in Section 162(m)(4)(C) of the Code, and this Plan shall be deemed amended to the extent necessary to conform to such requirements.

SECTION 8.6 GOVERNING LAW

This Plan and any agreements hereunder shall be administered, interpreted and enforced in accordance with the laws of the State of Illinois (without reference to the choice of law provisions of Illinois law).

* * * *

I hereby certify that the foregoing Plan was duly approved by the Board of Directors of IDEX Corporation effective January 23, 2001

Executed on this ____ day of ___________, 2001.

Secretary

Corporate Seal