SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

# FORM 8-K
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): July 29, 1996

IDEX Corporation

(Exact name of registrant as specified in its charter)

| Delaware | 1-10235 | 36-3555336 |
|---|---|---|
| (State or other jurisdiction) | (Commission File Number) | (I.R.S. Employer Idenification No.) |

| 630 Dundee Road | Northbrook, Illinois | 60062 |
|---|---|---|

(Address of principal executive offices)

Registrant's telephone number (847) 498-7070

The undersigned registrant is filing the following financial statements and exhibits in amendment of the information filed under Item 5 - Other Information in the Registrants' Quarterly Report on Form 10-Q for the Quarter ended June 30, 1996.

Item 7(a) Financial Statements of Business Acquired
Item 7(b) Pro Forma Financial Statements
Item 7(c) Exhibits

ITEM 7(a) FINANCIAL STATEMENTS OF ACQUIRED BUSINESS AND 7(b) PRO FORMA FINANCIAL STATEMENTS

FLUID MANAGEMENT LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF INCOME
SIX MONTHS ENDED JUNE 30, 1996 AND 1995
(IN THOUSANDS)

| | 1996 (Unaudited) | 1995 (Unaudited) |
|---|---|---|
| SALES | $43,329 | $45,288 |
| COST OF GOODS SOLD | 25,768 | 25,575 |
| Gross Profit | 17,561 | 19,713 |
| OPERATING EXPENSES: | | |
| Engineering and technical support | 2,953 | 2,778 |
| Sales and service | 3,675 | 3,625 |
| Administration | 4,228 | 4,092 |
| Profit-sharing and management incentives | 645 | 862 |
| Royalties | 76 | 65 |
| | 11,577 | 11,422 |
| INCOME FROM OPERATIONS | 5,984 | 8,291 |
| OTHER EXPENSES (INCOME): | | |
| Amortization of goodwill, patents and trademarks, and other assets | 674 | 940 |
| Interest and financing costs | 901 | 1,013 |
| Management expenses | 475 | 410 |
| Australian consulting fee | 112 | 92 |
| Minority interest in net income of foreign partnerships | 153 | 140 |
| Foreign exchange losses (gains) - net | (757) | 759 |
| Relocation | 727 | |
| | 2,285 | 3,354 |
| INCOME BEFORE FOREIGN INCOME TAXES | 3,699 | 4,937 |
| FOREIGN INCOME TAXES | 1,503 | 1,367 |
| NET INCOME | $2,196 | $3,570 |

See notes to consolidated financial statements.

FLUID MANAGEMENT LIMITED PARTNERSHIP
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)

| | JUNE 30, 1996 (Unaudited) | DECEMBER 31 1995 |
|---|---|---|
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | $ (129) | $ 803 |
| Accounts receivable | 18,816 | 14,689 |
| Inventories | 11,232 | 12,744 |
| Prepaid expenses | 826 | 966 |
| Total current assets | 30,745 | 29,202 |
| DUE FROM AFFILIATE | 1,323 | 1,437 |
| PROPERTY AND EQUIPMENT - net | 11,328 | 6,559 |
| PATENTS AND TRADEMARKS - net | 2,184 | 2,171 |
| OTHER ASSETS - net | 2,527 | 2,696 |
| GOODWILL - net | 4,812 | 5,112 |
| TOTAL | $52,919 | $47,177 |
| LIABILITIES AND PARTNERS' CAPITAL | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | $ 5,289 | $ 6,222 |
| Accrued expenses | 6,714 | 6,916 |
| Total current liabilities | 12,003 | 13,138 |
| LONG-TERM DEBT | 25,465 | 20,741 |
| MINORITY INTEREST | 420 | 267 |
| PARTNERS' CAPITAL | | |
| Contributed capital | 9,351 | 8,391 |
| Retained earnings | 5,903 | 4,653 |
| Cumulative translation adjustments | (223) | (13) |
| Total partners' capital | 15,031 | 13,031 |
| TOTAL | $52,919 | $47,177 |

See notes to consolidated financial statements.

FLUID MANAGEMENT LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 1996 AND 1995
(IN THOUSANDS)

| | 1996 (Unaudited) | 1995 (Unaudited) |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net Income | $2,196 | $3,570 |
| Adjustments to reconcile net income to net cash flows from operating activities: | | |
| Provision for losses on accounts receivable | 369 | 372 |
| Depreciation | 1,056 | 1,136 |
| Amortization of goodwill, deferred costs and other intangible assets | 674 | 940 |
| Minority interest in net income of foreign partnerships | 153 | 140 |
| Translation adjustment | (210) | |
| Changes in assets and liabilities related to operations, net of effect of acquisitions: | | |
| Accounts receivable | (3,099) | (5,490) |
| Inventories | 1,240 | (829) |
| Prepaid expenses and other | 140 | 77 |
| Deferred costs and other intangible assets | (368) | (506) |
| Accounts payable | (933) | 440 |
| Accrued expenses | (202) | 2,183 |
| Net cash flows from operating activities | 1,016 | 2,033 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchase of property and equipment | (930) | (1,149) |
| Net (advances to) repayment by affiliate | (1,011) | 115 |
| Net cash flows from investing activities | (1,941) | (1,034) |
| CASH FLOWS FROM DEBT FINANCING ACTIVITIES: | | |
| Net (repayments) borrowings under variable rate notes | (21) | 427 |
| Net cash flows from debt financing activities | (21) | 427 |
| CASH FLOWS FROM EQUITY FINANCING ACTIVITIES: | | |
| Redemption of Preferred units | (165) | (272) |
| Tax distributions to Class A unitholders | (721) | (1,794) |
| Sale of Class A units to officers | 1,125 | |
| Priority distributions to Class B and Class C unitholders | (225) | (300) |
| Net cash flows from equity financing activities | 14 | (2,366) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | (932) | (940) |
| CASH AND CASH EQUIVALENTS - Beginning of the period | 803 | 404 |
| CASH AND CASH EQUIVALENTS - End of the period | $ (129) | $ (536) |
| SUPPLEMENTAL DISCLOSURES: | | |
| Cash paid during the period for: | | |
| Interest | $ 825 | $ 903 |
| Foreign income taxes | 505 | 787 |

See notes to consolidated financial statement.

FLUID MANAGEMENT LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF CHANGES IN PARTNERS' CAPITAL
SIX MONTHS ENDED JUNE 30, 1996
(IN THOUSANDS)

| | Class B Preferred | Class C Preferred | Class A | Total Contributed Capital | Accumulated Earnings | Accumulated Partner Distributions |
|---|---|---|---|---|---|---|
| BALANCE, JANUARY 1, 1996 | $2,024 | $1,402 | $4,965 | $8,391 | $19,211 | $(14,558) |
| REDEMPTIONS | (50) | (115) | | (165) | | |
| NET INCOME | | | | | 2,196 | |
| MANDATORY TAX DISTRIBUTIONS: Relating to 1995 | | | | | | (721) |
| CLASS B AND CLASS C PRIORITY RETURN DISTRIBUTIONS | | | | | | (225) |
| ISSUANCE OF A UNITS TO OFFICERS | | | 1,125 | 1,125 | | |
| TRANSLATION ADJUSTMENTS | | | | | | |
| BALANCE, JUNE 30, 1996 (UNAUDITED) | $1,974 | $1,287 | $6,090 | $9,351 | $21,407 | $(15,504) |

| | Cumulative Translation Adjustments | Total Partners' Capital |
|---|---|---|
| BALANCE, JANUARY 1, 1996 | $ (13) | $13,031 |
| REDEMPTIONS | | (165) |
| NET INCOME | | 2,196 |
| MANDATORY TAX DISTRIBUTIONS: Relating to 1995 | | (721) |
| CLASS B AND CLASS C PRIORITY RETURN DISTRIBUTIONS | | (225) |
| ISSUANCE OF A UNITS TO OFFICERS | | 1,125 |
| TRANSLATION ADJUSTMENTS | (210) | (210) |
| BALANCE, JUNE 30, 1996 (UNAUDITED) | $(223) | $15,031 |

See notes to consolidated financial statements.

FLUID MANAGEMENT LIMITED PARTNERSHIP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 1996 AND 1995

1. SIGNIFICANT ACCOUNTING POLICIES

In the opinion of management, the Fluid Management Limited Partnership, ("FMLP") unaudited information presented as of June 30, 1996 and for the six-month periods ended June 30, 1996 and 1995 reflects all adjustments necessary, which consist only of normal recurring adjustments, for a fair presentation of the interim periods. These financial statements should be read in conjunction with the financial statements of Fluid Management for the years ended December 31, 1995 and 1994 included herein.

2. INVENTORIES

Inventories at June 30, 1996 and December 31, 1995 consist of the following (in thousands):

| | 1996 (Unaudited) | 1995 |
|---|---|---|
| Raw material | $ 4,159 | $5,428 |
| Work in process | 3,226 | 3,167 |
| Finished goods | 3,847 | 4,149 |
| Total | $11,232 | $12,744 |

3. RELATED PARTY TRANSACTIONS

Bethesda Investors Limited Partnership ("Bethesda") - Bethesda is a limited partnership under common control with the Partnership. The Partnership leases its U.S. manufacturing and headquarters facility from Bethesda and, during 1996 and 1995, paid rent and occupancy costs on certain facilities it previously vacated, owned by Bethesda. The last of the vacated facilities was sold in August, 1995. Rent expense on the Bethesda-owned facilities aggregated $314,000 and $335 for the six months ended June 30, 1996 and 1995, respectively.

The Partnership has advanced funds to Bethesda, classified as Due from Affiliate in the accompanying consolidated balance sheets, primarily for improvements to the facilities leased by the Partnership from Bethesda. Interest income on the advances was $60,000 in 1996 and $65,000 in 1995.

The Saranow Company - Pursuant to agreements with the Partnership, the Saranow Company ("Saranow") (an affiliate of the Partnership's managing general partner) provides the Partnership with management services. The Partnership's payments to Saranow for these services and related expenses aggregated $475,000 and $410,000 for the six months ended June 30, 1996 and 1995, respectively.

4. SUBSEQUENT EVENT

On July 29, 1996, FMLP sold substantially all of its operating assets to IDEX Corporation ("IDEX") for approximately $136 million and 75,700 shares of IDEX common stock. IDEX also assumed certain of the liabilities of FMLP

# INDEPENDENT AUDITORS' REPORT

To the Partners
Fluid Management Limited Partnership:

We have audited the accompanying consolidated balance sheets of Fluid Management Limited Partnership (the "Partnership") as of December 31, 1995 and 1994, and the related consolidated statements of income, cash flows and changes in partners' capital for the years then ended. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, such consolidated financial statements present fairly, in all material respects, the Partnership's financial position as of December 31, 1995 and 1994, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

February 6, 1996

FLUID MANAGEMENT LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 1995 AND 1994
(IN THOUSANDS)

| | 1995 | 1994 |
|---|---|---|
| SALES | $85,618 | $73,146 |
| COST OF GOODS SOLD | 49,336 | 42,781 |
| Gross profit | 36,282 | 30,365 |
| OPERATING EXPENSES: | | |
| Engineering and technical support | 5,919 | 4,716 |
| Sales and service | 7,289 | 6,005 |
| Administration | 8,421 | 6,372 |
| Profit-sharing and management incentives | 1,340 | 1,424 |
| Royalties | 137 | 119 |
| | 23,106 | 18,636 |
| INCOME FROM OPERATIONS | 13,176 | 11,729 |
| OTHER EXPENSES: | | |
| Amortization of goodwill, patents and trademarks, and other assets | 1,833 | 2,094 |
| Interest and financing costs | 1,922 | 1,940 |
| Management expenses | 780 | 680 |
| Australian consulting fee | 187 | 182 |
| Minority interest in net income of foreign partnerships | 264 | 97 |
| Foreign exchange losses (gains) - net | 614 | 141 |
| Long-term management incentive plan | 200 | 200 |
| Relocation | 125 | 201 |
| | 5,925 | 5,535 |
| INCOME BEFORE FOREIGN INCOME TAXES | 7,251 | 6,194 |
| FOREIGN INCOME TAXES | 2,610 | 1,298 |
| NET INCOME | $ 4,641 | $ 4,896 |

See notes to consolidated financial statements.

FLUID MANAGEMENT LIMITED PARTNERSHIP
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 1995 AND 1994
(IN THOUSANDS)

| ASSETS | 1995 | 1994 |
|---|---|---|
| CURRENT ASSETS: | | |
| Cash and cash equivalents | $ 803 | $ 404 |
| Accounts receivable, net of allowance for doubtful accounts of: 1995 - $596; 1994 - $400 | 14,689 | 14,896 |
| Inventories | 12,744 | 9,745 |
| Prepaid expenses | 966 | 741 |
| Total current assets | 29,202 | 25,786 |
| DUE FROM AFFILIATE | 1,437 | 1,689 |
| PROPERTY AND EQUIPMENT - net | 6,559 | 6,069 |
| PATENTS AND TRADEMARKS - net | 2,171 | 2,450 |
| OTHER ASSETS - net | 2,696 | 3,294 |
| GOODWILL - net | 5,112 | 5,222 |
| TOTAL | $47,177 | $44,510 |
| LIABILITIES AND PARTNERS' CAPITAL | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | $ 6,222 | $ 5,814 |
| Accrued expenses | 6,916 | 5,347 |
| Total current liabilities | 13,138 | 11,161 |
| LONG-TERM DEBT | 20,741 | 21,648 |
| MINORITY INTEREST | 267 | 280 |
| PARTNERS' CAPITAL | | |
| Contributed capital | 8,391 | 8,745 |
| Retained earnings | 4,653 | 2,703 |
| Cumulative translation adjustments | (13) | (27) |
| Total partners' capital | 13,031 | 11,421 |
| TOTAL | $47,177 | $44,510 |

See notes to consolidated financial statements.

FLUID MANAGEMENT LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 1995 AND 1994
(IN THOUSANDS)

| | 1995 | 1994 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net Income | $ 4,641 | $ 4,896 |
| Adjustments to reconcile net income to net cash flows from operating activities: | | |
| Provision for losses on accounts receivable | 353 | 64 |
| Depreciation | 2,177 | 1,702 |
| Amortization of goodwill, deferred costs and other intangible assets | 1,980 | 2,279 |
| Minority interest in net income of foreign partnerships | 264 | 97 |
| Changes in assets and liabilities related to operations, net of effect of acquisitions: | | |
| Accounts receivable | 11 | (5,193) |
| Inventories | (2,491) | 127 |
| Prepaid expenses and other | (225) | 195 |
| Deferred costs and other intangible assets | (672) | (638) |
| Accounts payable | 408 | 2,296 |
| Accrued expenses | 1,611 | 586 |
| Net cash flows from operating activities | 8,057 | 6,411 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Payments for acquisitions of: | | |
| Fluid Verfahrenstechnik GmbH | | (3,667) |
| Strastint International Pty. Ltd. | | (20) |
| Datacolor | (360) | |
| Purchase of property and equipment | (2,684) | (2,939) |
| Net (advances to) repayment by affiliate | 252 | (241) |
| Net cash flows from investing activities | (2,792) | (6,867) |
| CASH FLOWS FROM DEBT FINANCING ACTIVITIES: | | |
| Net (repayments) borrowings under variable rate notes | (105) | (2,053) |
| Borrowings (repayments) under revolver loan | (961) | 6,931 |
| Borrowings under other loans | 185 | 144 |
| Financing costs incurred | (36) | (787) |
| Net repayment of Dutch term loans | (627) | (268) |
| Net cash flows from debt financing activities | (1,544) | 3,967 |
| CASH FLOWS FROM EQUITY FINANCING ACTIVITIES: | | |
| Redemption of Preferred units | (354) | |
| Tax distributions to Class A unitholders | (2,146) | (2,487) |
| Profit distributions to Class A unitholders | | (400) |
| Priority distributions to Class B and Class C unithold | (545) | (455) |
| Dividends paid to minority interest | (277) | (123) |
| Net cash flows from equity financing activities | (3,322) | (3,465) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 399 | 46 |
| CASH AND CASH EQUIVALENTS - Beginning of year | 404 | 358 |
| CASH AND CASH EQUIVALENTS - end of year | $ 803 | $ 404 |
| SUPPLEMENTAL DISCLOSURES: | | |
| Cash paid during the year for: | | |
| Interest | $ 1,794 | $ 1,642 |
| Guarantee fees | | 112 |
| Foreign income taxes | $ 2,792 | $ 1,226 |

Non-cash investing and financing activities:
In 1995 the partnership issued a $586,000 note as partial consideration for the Datacolor acquisition. (Note 3)

See notes to consolidated financial statements.

FLUID MANAGEMENT LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF CHANGES IN PARTNERS' CAPITAL
YEARS ENDED DECEMBER 31, 1995 AND 1994
(IN THOUSANDS)

| | Class B Preferred | Class C Preferred | Class A | Total Contributed Capital | Accumulated Earnings | Accumulate Partner Distributions |
|---|---|---|---|---|---|---|
| BALANCE , JANUARY 1, 1994 | $2,130 | $1,650 | $4,965 | $8,745 | $ 9,674 | $(8,525) |
| NET INCOME | | | | | 4,896 | |
| MANDATORY TAX DISTRIBUTIONS: Relating to 1994 | | | | | | (2,487) |
| CLASS B AND CLASS C PRIORITY RETURN DISTRIBUTIONS | | | | | | (455) |
| PROFIT DISTRIBUTIONS | | | | | | (400) |
| TRANSLATION ADJUSTMENTS | | | | | | |
| BALANCE, DECEMBER 31, 1994 | 2,130 | 1,650 | 4,965 | 8,745 | 14,570 | (11,867) |
| REDEMPTIONS | (106) | (248) | | (354) | | |
| NET INCOME | | | | | 4,641 | |
| MANDATORY TAX DISTRIBUTIONS: Relating to 1995 | | | | | | (2,146) |
| CLASS B AND CLASS C PRIORITY RETURN DISTRIBUTIONS | | | | | | (545) |
| TRANSLATION ADJUSTMENTS | | | | | | |
| BALANCE, DECEMBER 31, 1995 | $2,024 | $1,402 | $4,965 | $8,391 | $19,211 | $(14,558) |

| | Cumulative Translation Adjustments | Total Partners' Capital |
|---|---|---|
| BALANCE , JANUARY 1, 1994 | $(303) | $ 9,591 |
| NET INCOME | | 4,896 |
| MANDATORY TAX DISTRIBUTIONS: Relating to 1994 | | (2,487) |
| CLASS B AND CLASS C PRIORITY RETURN DISTRIBUTIONS | | (455) |
| PROFIT DISTRIBUTIONS | | (400) |
| TRANSLATION ADJUSTMENTS | 276 | 276 |
| BALANCE, DECEMBER 31, 1994 | (27) | 11,421 |
| REDEMPTIONS | | (354) |
| NET INCOME | | 4,641 |
| MANDATORY TAX DISTRIBUTIONS: Relating to 1995 | | (2,146) |
| CLASS B AND CLASS C PRIORITY RETURN DISTRIBUTIONS | | (545) |
| TRANSLATION ADJUSTMENTS | 14 | 14 |
| BALANCE, DECEMBER 31, 1995 | $ (13) | $13,031 |

See notes to consolidated financial statements.

FLUID MANAGEMENT LIMITED PARTNERSHIP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1995 AND 1994

1. ORGANIZATION AND BASIS OF PRESENTATION

Fluid Management Limited Partnership ("FMLP") was formed in 1987 under the Illinois Uniform Limited Partnership Act. FMLP's managing general partner is Fluid Management Inc., a Delaware corporation, which is an affiliate of The Saranow Company.

FMLP is the leading manufacturer of mixing and tinting equipment for the paint, coatings and ink industries worldwide. More than half of the company's products are sold overseas, primarily in Europe. Fluid Management also provides specialized equipment and engineered systems to other industries -- food, chemicals and cosmetics.

The accompanying consolidated financial statements include the accounts of FMLP and its majority owned subsidiaries: FMLP's 95 percent limited partnership interest in Fluid Management Europe C.V. ("C.V.") (a Netherlands limited partnership); FMLP's 99 percent limited partnership interests in Fluid Management Australia L.P. ("Strastint") (an Australian limited partnership), Fluid Management GmbH ("GmbH") (a German corporation), Fluid Management Canada, L.L.C. ("Canada") (an Illinois limited liability corporation), Fluid Management Servicos e Vendas Ltda ("Brazil") (a Brazilian Corporation), Fluid Management France SNC ("France") (a French general partnership); and FMLP's 100 percent interest in Fluid Management Services Inc. (a U.S. corporation) (collectively referred to as the "Partnership"). All of these entities excluding Fluid Management Services Inc. are treated as partnerships for U.S. tax purposes.

Fluid Management International, Inc. ("FMI"), which is not included in the consolidated results, serves as a general partner of GmbH, Strastint and Brazil. FMI is also a member of Canada. Profits and losses allocable to FMI are accounted for as minority interests.

The 5% interest in C.V. and 1% interest in France are owned by Fluid Management Europe B.V. ("B.V.").

All material intercompany balances and transactions have been eliminated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Inventories - Inventories are stated at the lower of first-in, first-out (FIFO) cost or market.

Property and Equipment - Property and equipment are recorded at cost. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets, which range from three to ten years.

Patents and Trademarks - Patents and trademarks are amortized over periods ranging from five to seventeen years. Accumulated amortization was $2,436,000 and $2,404,000 at December 31, 1995 and 1994.

Other Assets - Other assets are amortized over periods ranging from two to thirteen years.

Goodwill - the excess of purchase price over the net assets of acquired businesses is amortized on a straight-line basis over periods ranging from fifteen to forty years. Accumulated amortization was $979,000 and $629,000 at December 31, 1995 and 1994.

Income Taxes - The Partnership is not considered a taxable entity for United States federal or state income tax purposes. The Partnership's United States income is reported by the Partnership's partners on their individual tax returns.

FMLP is considered by the Dutch government to be the taxable entity for payment of taxes on FMLP's allocable share of the income of C.V. Strastint files an Australian tax return and pays taxes on behalf of its limited partner, FMLP, and GmbH files tax returns in Germany. Such taxes comprise the provision for foreign income taxes in the accompanying consolidated statements of income.

At December 31, 1995, GmbH has net operating loss carry forwards of $1,230,000 available to offset future German taxable income which do not expire. The related deferred tax asset in the amount of $369,000 has been fully offset by a valuation allowance because of uncertainty about realization of such asset.

Reclassifications - Certain 1994 balances have been reclassified to conform with the 1995 presentation.

3. ACQUISITIONS

Effective October 1, 1995, FMLP purchased certain assets of the Gravimetric dispensing division of Datacolor International for approximately $1,131,000 which includes cash of $360,000 and a non-interest-bearing note in the amount of $771,000 (discounted to $586,000) payable over five years.

Effective April 1, 1994, Fluid Management GmbH, a newly formed subsidiary of FMLP, purchased substantially all of the assets and assumed certain liabilities of fluid Verfahrenstechnik GmbH, a German corporation engaged in the business of designing and manufacturing industrial ink and paint colorant dispensers, for approximately $3,700,000.

Effective July 1, 1993, a newly formed subsidiary of FMLP purchased substantially all of the assets of Strastint International Pty. Ltd. of New South Wales, Australia, for approximately $4,100,000. FMLP is obligated under non-compete and consulting agreements to make additional payments of at least $1,140,000 over the five-year period ending in 1998; such payments amounted to $187,000 in 1995 and $182,000 in 1994.

These acquisitions have been accounted for using the purchase method of accounting. The results of operations of these acquired businesses have been reflected in the accompanying financial statements from the respective dates of acquisition.

4. RELATED PARTY TRANSACTIONS

Bethesda Investors Limited Partnership ("Bethesda") - Bethesda is a limited partnership under common control with the Partnership. The Partnership leases its U.S. manufacturing and headquarters facility from Bethesda and, during 1995 and 1994, paid rent and occupancy costs on certain facilities it previously vacated, owned by Bethesda. The last of the vacated facilities was sold in August, 1995. Rent expense on the Bethesda-owned facilities aggregated $728,000 in 1995 and $739,000 in 1994.

The Partnership has advanced funds to Bethesda, classified as Due from Affiliate in the accompanying consolidated balance sheets, primarily for improvements to the facilities leased by the Partnership from Bethesda. Interest income on the advances was $134,000 in 1995 and $126,000 in 1994.

Following is a summary (unaudited) of the assets, liabilities, and net income (loss) of Bethesda as of December 31, 1995 and 1994 and for the years then ended (in thousands):

| | 1995 | 1994 |
|---|---|---|
| Total assets (primarily land and buildings) | $4,877 | $6,251 |
| Total liabilities (primarily term loans secured by land and buildings and advances due FMLP) | 5,157 | 6,241 |
| Loss on sale of property | (360) | (14) |
| Net income (loss) | (290) | 2 |

The Saranow Company - Pursuant to agreements with the Partnership, the Saranow Company ("Saranow") (an affiliate of the Partnership's managing general partner) provides the Partnership with management services. The Partnership's payments to Saranow for these services and related expenses aggregated $780,000 and $680,000 for 1995 and 1994, respectively.

Guarantee of Partnership Debt - In December 1991, an affiliate of one of FMLP's general partners entered into a guarantee agreement with FMLP's principal lender guaranteeing repayment of amounts owed by FMLP to such lender. Fees were based on the average amount of outstanding indebtedness so guaranteed. Such fees amounted to $112,000 in 1994. As of December 31, 1994, all guaranteed obligations had been repaid.

5. INVENTORIES

Inventories at December 31 consist of the following (in thousands):

| | 1995 | 1994 |
|---|---|---|
| Raw material | $ 5,428 | $ 4,891 |
| Work in process | 3,167 | 2,717 |
| Finished goods | 4,149 | 2,137 |
| Total | $12,744 | $ 9,745 |

6. PROPERTY AND EQUIPMENT - NET

Property and equipment - net at December 31 consists of the following (in thousands).

| | 1995 | 1994 |
|---|---|---|
| Machinery and equipment | $ 6,416 | $ 5,345 |
| Computer equipment | 2,705 | 2,016 |
| Furniture and fixtures | 2,779 | 2,732 |
| Leasehold improvements | 1,475 | 746 |
| Vehicles | 354 | 378 |
| | 13,729 | 11,217 |
| Less accumulated depreciation and amortization | (7,170) | (5,148) |
| Total | $ 6,559 | $ 6,069 |

7. OTHER ASSETS - NET

Other assets - net at December 31 consist of the following (in thousands):

| | 1995 | 1994 |
|---|---|---|
| Covenants not to compete | $ 2,679 | $ 3,114 |
| Customer lists | 1,823 | 1,714 |
| Deferred financing costs | 879 | 833 |
| Organization costs | 474 | 357 |
| Other | 45 | 45 |
| | 5,900 | 6,063 |
| Less accumulated amortization | (3,204) | (2,769) |
| Total | $ 2,696 | $ 3,294 |

8. ACCRUED EXPENSES

Accrued expenses at December 31 consist of the following (in thousands):

| | 1995 | 1994 |
|---|---|---|
| Foreign income taxes | $ 1,583 | $ 1,209 |
| Profit sharing | 674 | 758 |
| Salaries and bonuses | 925 | 1,112 |
| Taxes other than income | 445 | 545 |
| Professional fees | 172 | 82 |
| Interest | 132 | 117 |
| Customer deposits | 818 | 131 |
| Long-term management incentive | 786 | 586 |
| Other | 1,381 | 807 |
| Total | $ 6,916 | $ 5,347 |

## 9. LONG-TERM DEBT

Long-term debt at December 31 consists of the following (in thousands):

| | 1995 | 1994 |
|---|---|---|
| Bank Credit Agreement: | | |
| Term loan | $13,714 | $13,825 |
| Revolver loans | 5,977* | 6,931 |
| | 19,691 | 20,756 |
| Dutch term loan | | 733 |
| Installment note | 601 | |
| Other | 449 | 159 |
| | $20,741 | $21,648 |

*There were also letters of credit aggregating $2.1 million outstanding under the revolver facility at December 31, 1995.

Scheduled maturities of long-term debt for the years ending December 31 are as follows: 1996 - $3,053,000; 1997 - $3,275,000; 1998 - $3,207,000; 1999 - $3,159,000; 2000 - $8,047,000. Amounts due in 1996 are classified as long-term debt because of the availability of additional long-term borrowings under the Bank Credit Agreement.

Credit Agreement - Effective September 29, 1995, the Partnership amended and restated the existing Credit Agreement with a commercial bank to provide a $30 million facility, including $14.5 million term debt line (in U.S. Dollars and/or Dutch Guilders) and a $15.5 million formula-based revolver.

The term loan requires 19 equal quarterly principal payments of approximately $763,000 from December 31, 1995 to June 30, 2000.

Availability under the revolver is subject to limitations based on eligible accounts receivable, inventories, and property and equipment. The agreement expires and has a final maturity on June 30, 2000.

Interest under the Credit Agreement is based, at the Partnership's option, on either the bank's reference rate plus 50 basis points (bp) or the Eurocurrency rate (as adjusted) plus 150 bp. At December 31, 1995, interest was payable at 7.0 percent.

To reduce the Partnership's exposure to floating interest rates, the Partnership has entered into an interest rate swap agreement with a commercial bank in a notional principal amount of $8,000,000. The agreement expires November, 1997 and provides for the Partnership to pay interest at an average equivalent annual rate of approximately 8.6 percent. The differential payable under this agreement is recognized currently in the financial statements.

Borrowings and letters of credit are collateralized by all of the U.S. and Dutch assets of the Partnership. Under the terms of the Credit Agreement, the Partnership is subject to certain covenants that include, among other things, restrictions on the incurrence of additional indebtedness and limitations on management fees and expenses, capital expenditures and distributions. The Partnership also has agreed to maintain certain financial ratios (as defined in the Credit Agreement) including working capital, net worth, leverage, and interest coverage.

Installment Note - the installment note represents the present value of a non-interest-bearing note payable to Datacolor International (Note 3). The note is payable in four annual installments beginning in 1997.

10. PARTNERS' CAPITAL

Contributed capital at December 31 consists of the following (in thousands):

| | 1995 | 1994 |
|---|---|---|
| Preferred partnership units: | | |
| Class B 2,023.5 units in 1995 and 2,130 units in 1994 | $2,024 | $2,130 |
| Class C 1,402.5 units in 1995 and 1,650 units in 1994 | 1,402 | 1,650 |
| | 3,426 | 3,780 |
| Class A 1,865 common partnership units | 4,965 | 4,965 |
| Total | $8,391 | $8,745 |

The Class B preferred partnership units are entitled to a cumulative preferred return at a bank's prime rate plus 6 percent. The Class C preferred partnership units are identical except that they are entitled to a cumulative preferred return of prime plus 4 percent. Preferred returns of $501,000 and $465,000 were earned by holders of preferred partnership units in 1995 and 1994, respectively.

Net income and losses of the Partnership, after deduction for accrued Class B and Class C preferred returns, are allocated to Class A partnership units. Distributions are made at the discretion of the general partners subject to certain mandatory provisions. Distributions of Partnership capital (including partner withdrawals and Partnership dissolution) are made in accordance with each partner's Class A common percentage interest in the Partnership.

11. OPERATING LEASES

The Partnership leases its manufacturing plants and office facilities and certain equipment and vehicles under non-cancelable operating leases, including certain leases with Bethesda (Note 4). Total rent expense was $2,160,000 and $1,540,000 in 1995 and 1994, respectively. In addition to rent, the

Partnership is required to pay maintenance, insurance and real estate taxes on the various properties it leases. The following is a schedule of future minimum rental payments required under operating leases as of December 31, 1995 (in thousands):

| | FACILITIES | EQUIPMENT | TOTAL |
|---|---|---|---|
| 1996 | $1,269 | $ 779 | $2,048 |
| 1997 | 991 | 745 | 1,736 |
| 1998 | 718 | 540 | 1,258 |
| 1999 | 720 | 348 | 1,068 |
| 2000 and thereafter | 1,682 | 183 | 1,865 |
| Total | $5,380 | $2,595 | $7,975 |

12. PROFIT-SHARING PLAN

The Partnership has a profit-sharing and retirement plan covering substantially all full-time domestic employees with more than one year of service (the "Plan"). Partnership contributions to the Plan are made at the discretion of the Partnership and amounted to $590,000 and $745,000 in 1995 and 1994, respectively.

13. LONG-TERM MANAGEMENT INCENTIVE PLAN

The Partnership adopted a Phantom Equity Plan as of January 1, 1988. Under the terms of the plan, certain managers are granted deferred compensation rights in phantom partnership units. Each participant is entitled to the increase in value of his or her units over the value assigned at the time of the award, subject to a six-year vesting schedule. This increase in value is treated as compensation expense for reporting purposes; however, for tax purposes, amounts are not deductible until paid. Effective June 30, 1994, the plan was amended to provide for a 1,000-to-1 unit split. At December 31, 1995, there were 75,400 phantom units outstanding, with an aggregate valuation of $1,031,100 more than their respective grant prices, of which $481,290 was legally vested. As of December 31, 1995, the Partnership has accrued $786,000 for such liabilities.

14. INTERNATIONAL OPERATIONS

The accompanying consolidated financial statements include the following assets, liabilities and net income of the Partnership's foreign operations (in thousands):

| | 1995 | 1994 |
|---|---|---|
| Total assets | $20,634 | $19,472 |
| Total liabilities | 10,745 | 9,755 |
| Net assets | $ 9,889 | $ 9,717 |
| Net income | $ 3,449 | $ 1,229 |

Approximately $8,600,000 of the Partnership's borrowings at December 31, 1995 are in Dutch Guilders and German Marks to hedge the Partnership's net investment in its European operations. Translation gains and loses on the foreign borrowings are accounted for as part of the cumulative translationadjustment. In addition, short-term forward contracts and options are used to partially hedge the anticipated flow of funds between FMLP and its foreign subsidiaries. The contracts and options are marked to market and gains or losses are recorded in the income statement. At December 31, 1995, forward and option contracts to purchase a total of 13,250,000 Dutch Guilders were open and outstanding, on which a net unrealized loss of $196,000 had been recorded. These contracts expire through December 13, 1996.

15. LARGEST CUSTOMER

Sales to the largest customer accounted for 9 percent of consolidated sales in 1995 and 1994.

ITEM 7(b) PRO FORMA FINANCIAL STATEMENTS
IDEX CORPORATION AND FLUID MANAGEMENT
UNAUDITED PRO FORMA COMBINED FINANCIAL
STATEMENTS AS OF JUNE 30, 1996 AND
FOR THE YEAR ENDED DECEMBER 31, 1995
AND THE SIX MONTHS ENDED JUNE 30, 1996

The following unaudited pro forma combined financial statements as of June 30, 1996 and for the year ended December 31, 1995 and the six months ended June 30, 1996 give effect to the acquisition by IDEX of the operating net assets of Fluid Management Limited Partnership ("FM") as if the acquisition had occurred on January 1, 1995. The transaction was accounted for as a purchase in accordance with the provisions of Accounting Principles Board Opinion No. 16.

The historical financial data included in the pro forma statements is as of the periods presented. The historical financial data of FM included in the pro forma statement of operations for the year ended December 31, 1995 was derived from audited financial statements for the year ended December 31, 1995. The historical financial data of FM as of and for the six months ended June 30, 1996 was derived from unaudited financial statements for the six months ended June 30, 1996.

The unaudited pro forma financial data is based on management's best estimate of the effects of the acquisition of FM. Pro forma adjustments are based on currently available information; however, the actual adjustments will be based on more precise appraisals, evaluations and estimates of fair values. It is possible that the actual adjustments could differ substantially from those presented in the unaudited pro forma combined financial statements.

The unaudited pro forma combined statements of operations for the year ended December 31, 1995, the six months ended June 30, 1996 and the pro forma combined balance sheet as of June 30, 1996 are not necessarily indicative of the results of operations that actually would have been achieved had the acquisition of FM been consummated as of the dates indicated, or that may be achieved in the future. The unaudited proforma combined financial statements should be read in conjunction with the accompanying notes and historical financial statements and notes thereto.

FLUID MANAGEMENT -- SIX MONTHS ENDED JUNE 30, 1996 VS. 1995

Fluid Management's financial performance for the period January 1 to June 30, 1996, prior to the acquisition by IDEX, was adversely affected by several factors compared to the same period for the prior year. The gross profit margin was lower primarily due to start up costs associated with major new product introductions in the Netherlands and U.S. The relocation of an acquired product line and higher corporate expenses billed by the managing partnership also had an unfavorable effect on the current year six month comparative results. The change in foreign exchange gain/loss from period to period principally reflects the impact of Fluid Management's hedging activities.

IDEX CORPORATION
UNAUDITED PROFORMA COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1995
(In thousands except per share information)

| | IDEX Historical | Fluid Management Historical | Pro forma Adjustments | Adjusted Pro forma |
|---|---|---|---|---|
| Net sales | $ 487,336 | $ 85,618 | | $ 572,954 |
| Cost of sales | 299,315 | 49,336 | $ 5,519 (1) | 354,170 |
| Gross profit | 188,021 | 36,282 | (5,519) | 218,784 |
| Selling, general, and administrative expenses | 97,486 | 23,106 | (6,750)(2) | 113,842 |
| Goodwill amortization | 4,297 | | 3,474 (3) | 7,771 |
| Income (loss) from operations | 86,238 | 13,176 | (2,243) | 97,171 |
| Other income (expense)-net | 753 | (5,925) | 5,755 (4) | 583 |
| Income (loss) before interest | 86,991 | 7,251 | 3,512 | 97,754 |
| Interest expense | 15,948 | | 8,001 (5) | 23,949 |
| Income (loss) before income taxes | 71,043 | 7,251 | (4,489) | 73,805 |
| Provision for income taxes | 25,718 | 2,610 | (1,758)(6) | 26,570 |
| Income from continuing operations | $ 45,325 | $ 4,641 | $ (2,731) | $ 47,235 |
| Earnings per common share | $ 2.30 | | | $ 2.38 |
| Weighted average shares outstanding | 19,739 | | 76 (7) | 19,815 |

IDEX CORPORATION
UNAUDITED PROFORMA COMBINED STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 1996
(In thousands except per share information)

| | IDEX Historical | Fluid Management Historical | Pro forma Adjustments | Adjusted Pro forma |
|---|---|---|---|---|
| Net sales | $ 265,055 | $ 43,329 | | $ 308,384 |
| Cost of sales | 162,338 | 25,768 | $ 2,834 (1) | 190,940 |
| Gross profit | 102,717 | 17,561 | (2,834) | 117,444 |
| Selling, general, and administrative expenses | 53,100 | 11,577 | (3,722)(2) | 60,955 |
| Goodwill amortization | 2,464 | | 1,737 (3) | 4,201 |
| Income (loss) from operations | 47,153 | 5,984 | (849) | 52,288 |
| Other income (expense)-net | (53) | (2,285) | 2,381 (4) | 43 |
| Income (loss) before interest | 47,100 | 3,699 | 1,532 | 52,331 |
| Interest expense | 8,291 | | 3,535 (5) | 11,826 |
| Income (loss) before income taxes | 38,809 | 3,699 | (2,003) | 40,505 |
| Provision for income taxes | 13,933 | 1,503 | (854)(6) | 14,582 |
| Income from continuing operations | $ 24,876 | $ 2,196 | $ (1,149) | $ 25,923 |
| Earnings per common share | $ 1.26 | | | $ 1.30 |
| Weighted average shares outstanding | 19,804 | | 76 (7) | 19,880 |

IDEX CORPORATION

NOTES TO UNAUDITED PRO FORMA COMBINED STATEMENTS OF OPERATIONS

(In thousands except per share information)

NOTES:

(1) Represents reclassification of FM's engineering expense from selling, general and administrative expense to cost of sales ($5,919 for the twelve months and $2,953 for the six months) and reclassification of amortization expense on other intangible assets from other income (expense) to cost of sales ($721 for the twelve months and $163 for the six months). Includes the estimated effect of the FM acquisition on cost of sales relating to elimination of rent expense ($595 for the twelve months and $314 for the six months) on a facility leased by FM and not by IDEX. Includes estimated effect on depreciation expense ($-55 for the twelve months and $70 for the six months) and amortization expense ($-471 for the twelve months and $-38 for the six months) on stepped up value and adjusted lives of property, plant and equipment and other intangible assets.

(2) Represents reclassification of FM's engineering expense from selling, general and administrative expense to cost of sales ($5,919 for the twelve months and $2,953 for the six months). Includes the estimated effect of the FM acquisition on selling, general and administrative expense relating to depreciation expense ($-62 for the twelve months and $-12 for the six months) on stepped up value and adjusted lives of property, plant and equipment. Elimination of certain FM corporate operating expenses ($769 for the twelve months and $757 for the six months) that will no longer be incurred due to the FM acquisition. IDEX does not anticipate any material increase in corporate operating expenses as a result of the FM acquisition.

(3) Represents the estimated effect of the FM acquisition on goodwill amortization expense from the excess purchase price over the fair market value of net assets acquired of $104.2 million over 30 years.

(4) Represents elimination of FM's historical other income(expense) relating to amortization expense on goodwill and other intangible assets ($1,833 for the twelve months and $674 for the six months) and interest expense ($1,922 for the twelve months and $901 for the six months), and elimination of other income (expense)($2,000 for the twelve months and $806 for the six months) that will no longer be incurred due to the FM acquisition.

(5) Represents the estimated effect of the FM acquisition on interest expense from $136 million borrowings under the IDEX credit agreements and and application of FM cash flow from operations to reduce indebtedness at an effective borrowing cost of approximately 6.00% for the twelve months and 5.25% for the six months.

(6) Represents the estimated tax effect of the pro forma adjustments described above at statutory federal and foreign tax rates.

(7) Represents 75,700 shares of common stock issued in connection with the FM acquisition.

# IDEX CORPORATION
## UNAUDITED PROFORMA COMBINED BALANCE SHEET
## AS OF JUNE 30, 1996
(In thousands)

| | IDEX Historical | Fluid Manage- ment Historical(1) | Pro forma Adjust- ments | Adjusted Pro forma |
|---|---|---|---|---|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | $ 6,766 | $ (129) | $ 1,013 (2) | $ 7,650 |
| Receivables | 70,540 | 18,816 | (2,274)(2) | 87,082 |
| Inventories | 93,864 | 11,232 | 4,366 (2) | 109,462 |
| Deferred taxes | 6,944 | | 2,667 (3) | 9,611 |
| Other current assets | 2,038 | 2,149 | (1,453)(2) | 2,734 |
| Total Current Assets | 180,152 | 32,068 | 4,319 | 216,539 |
| Property, Plant and Equipment | 90,077 | 11,328 | 3,986 (2) | 105,391 |
| Intangible Assets | 180,029 | 9,523 | 97,222 (4) | 286,774 |
| Other Noncurrent Assets | 4,773 | | | 4,773 |
| Total Assets | $ 455,031 | $ 52,919 | $ 105,527 | $ 613,477 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | |
| Current Liabilities | | | | |
| Trade accounts payable | $ 32,331 | $ 5,289 | $ 178 (2) | $ 37,798 |
| Dividends payable | 3,069 | | | 3,069 |
| Accrued expenses | 37,355 | 6,714 | 7,985 (2) | 52,054 |
| Total Current Liabilities | 72,755 | 12,003 | 8,163 | 92,921 |
| Subordinated debt | 75,000 | | | 75,000 |
| Long-term debt | 107,830 | 25,465 | 110,544 (5) | 243,839 |
| Accrued interest and other | 2,820 | | | 2,820 |
| Other Noncurrent Liabilities | 25,407 | 420 | (420)(2) | 25,407 |
| Total Liabilities | 283,812 | 37,888 | 118,287 | 439,987 |
| Shareholders' Equity | | | | |
| Common stock | 192 | | 1 (6) | 193 |
| Additional paid in capital | 86,976 | 9,351 | (7,081)(6) | 89,246 |
| Retained earnings(deficit) | 86,472 | 5,903 | (5,903)(6) | 86,472 |
| Common stock in treasury | | | | |
| Accumulated translation adjustment | (2,421) | (223) | 223 (6) | (2,421) |
| Total Shareholders' Equity | 171,219 | 15,031 | (12,760) | 173,490 |
| Total Liabilities and shareholders' equity | $ 455,031 | $ 52,919 | $ 105,527 | $ 613,477 |

NOTES:

(1) Represents the historical net book value of the assets and liabilities of FM at June 30, 1996.

(2) Represents adjustments to state FM's historical balance sheet to fair market value as of the acquisition date in accordance with APB-16 .

(3) Represents tax effect of pro forma adjustments.

(4) Represents adjustments to FM's historical balance sheet to recognize \$104.2 million of goodwill and \$2.5 million of other intangible assets (patents and trademarks) from valuation of FM's balance sheet at fair market value and elimination of FM's historical goodwill and other intangible assets.

(5) Represents adjustments to FM's historical balance sheet to recognize the portion of the FM purchase price (\$110.5 million) and retirement of FM's long-term debt (\$25.5 million) financed with borrowings under the IDEX credit agreements.

(6) Represents adjustments to FM's historical balance sheet to recognize the portion of the purchase price financed through issuance of 75,700 shares of IDEX common stock and the elimination of FM's capital accounts.

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 hereunto duly authorized.

IDEX Corporation

October 14, 1996

/s/ WAYNE P. SAYATOVIC

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Wayne P. Sayatovic
Senior Vice President-Finance,
Chief Financial Officer and
Secretary (Duly Authorized and
Principal Financial Officer)

ITEM 7(C) EXHIBIT INDEX



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*filed herewith

EXHIBIT 23.1

INDEPENDENT AUDITORS' CONSENT

We consent to the use in this Current Report on Form 8-K of IDEX Corporation of our report dated February 6, 1996 accompanying the consolidated financial statements of Fluid Management Limited Partnership appearing herein.

DELOITTE & TOUCHE LLP
Chicago, Illinois
October 11, 1996