



Fluid & Metering



Health & Science



Fire & Safety /
Diversified

Second Quarter 2021 Earnings
July 28, 2021



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Improving Lives™

Agenda

IDEX Business Overview

- IDEX Overview
- Growth Investments
- Orders & End Market Update

Financials

- Q2 Performance
- Operating Profit

2021 Guidance

IDEX Difference Update

Q&A



Replay Information

- Dial toll-free: 877.660.6853
- International: 201.612.7415
- Conference ID: #13712090
- Log on to: www.idexcorp.com



Cautionary Statement

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This presentation contains non-GAAP financial information. Reconciliations of non-GAAP measures are included either in this presentation or our earnings release for the six-month period ending June 30, 2021, which is available on our website.



Business Update



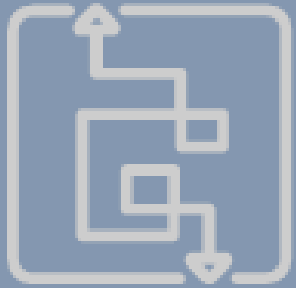
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IDEX Overview



Strong Commercial Performance

- Record orders and backlog
- All segments above 2019 order levels
- Industrial projects next phase of growth



Execution Within a Disruptive Environment

- Continue to overcome material shortages, logistics hurdles, staffing challenges
- Increased for our short cycle businesses in the quarter
- Disruptions hit plateau – don't see getting worse, but will take time to improve



Attacking Price Capture & Productivity

- Aggressive price capture as a response to sharp inflation
- Core productivity = critical
- Facility rationalization in Energy



Growth Investments - Increasing

Inorganic

Adding complementary capabilities in reciprocating positive displacement pumps



Expanded expertise in specialized air moving technologies



Organic

Doubling Emerging Markets Capacity



Digitization Build Out

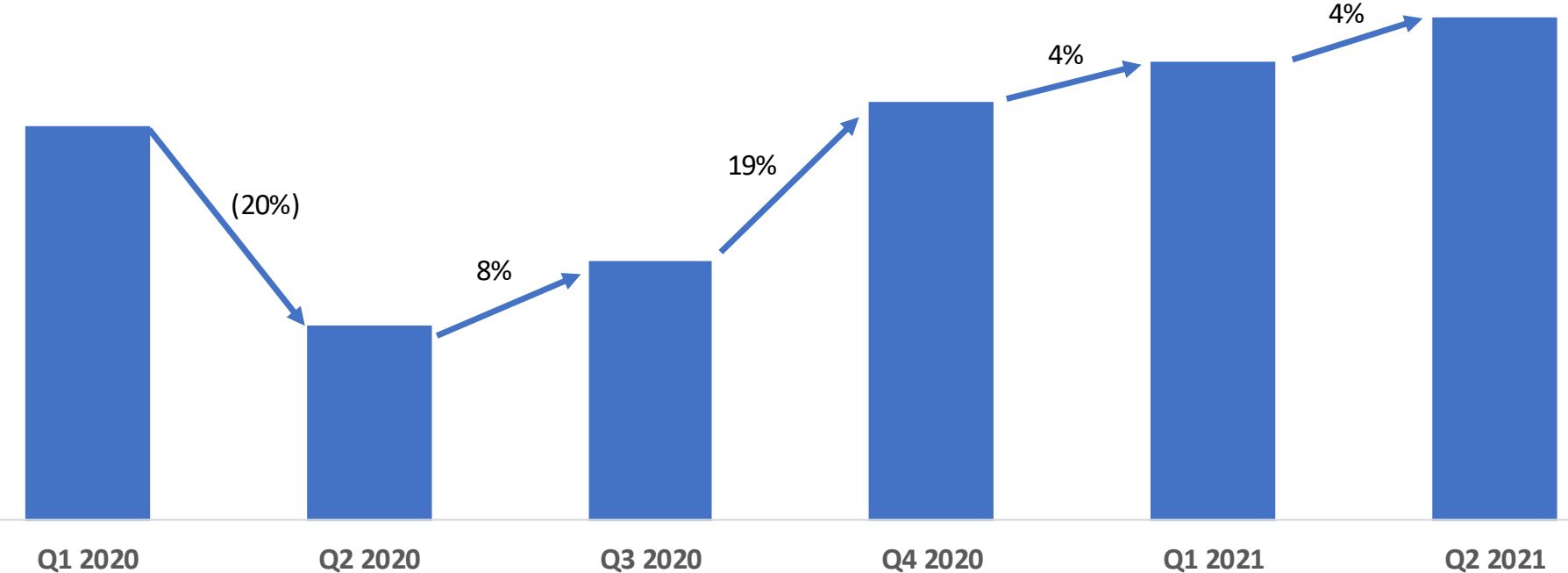


Continued Growth and Productivity



Record Order Performance

Sequential Trend



	vs. 2Q 2020	vs 2Q 2019
FMT	32%	6%
HST	43%	23%
FSD	46%	11%
Total	39%	13%

Continued strong orders across all segments



2021 Market Outlook

	FLUID & METERING TECHNOLOGY	HEALTH & SCIENCE TECHNOLOGY	FIRE & SAFETY / DIVERSIFIED
2021 Q2 REVENUE	\$251M	\$275M	\$161M
% OF TOTAL	37%	40%	23%
	<ul style="list-style-type: none"> ■ Industrial ■ Agriculture ■ Water ■ Energy ■ Chemical 	<ul style="list-style-type: none"> ■ Semiconductor ■ Food / Pharma ■ Automotive ■ Analytical Instrumentation ■ Life Sciences ■ Industrial 	<ul style="list-style-type: none"> ■ Dispensing ■ Automotive ■ Industrial / Other ■ Fire / Rescue



Financials



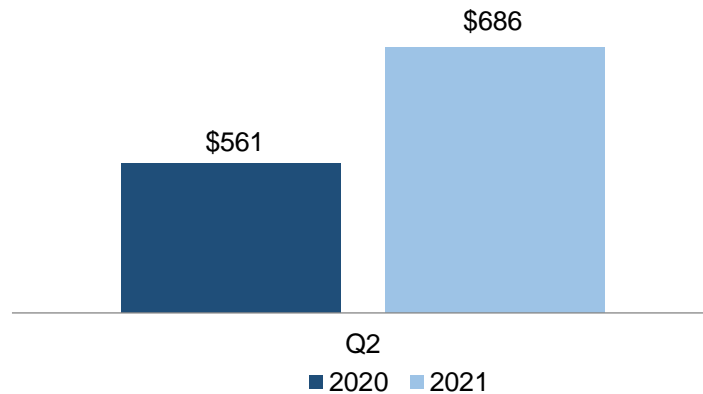
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IDEX Q2 Financial Performance

(Dollars in millions, excl. EPS)

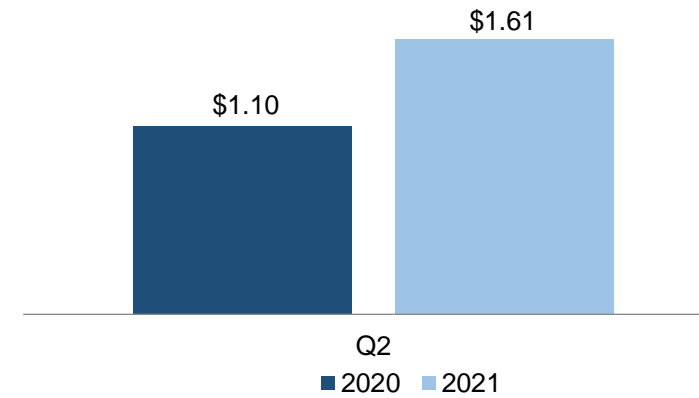
Sales

Organic: 17% increase



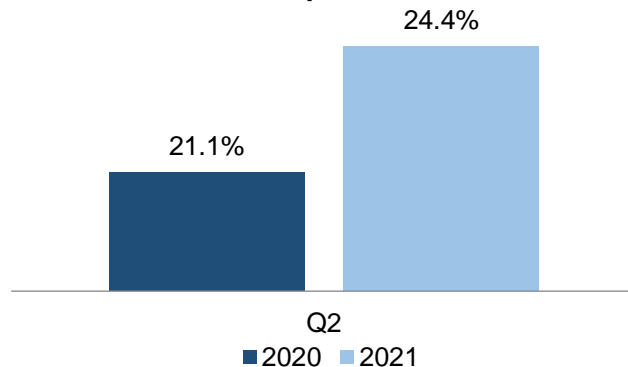
Earnings Per Share*

46% increase



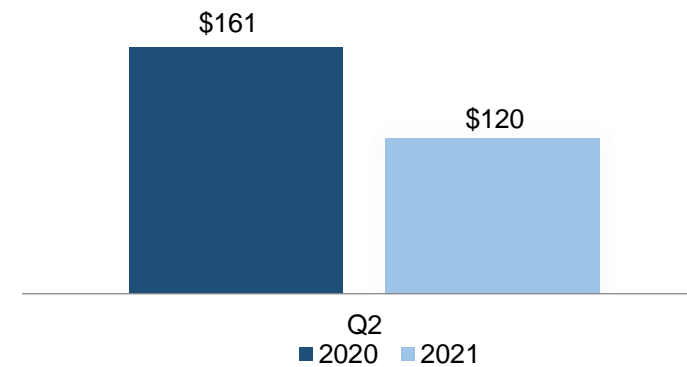
Operating Margin*

330 bps increase



Free Cash Flow

25% decrease

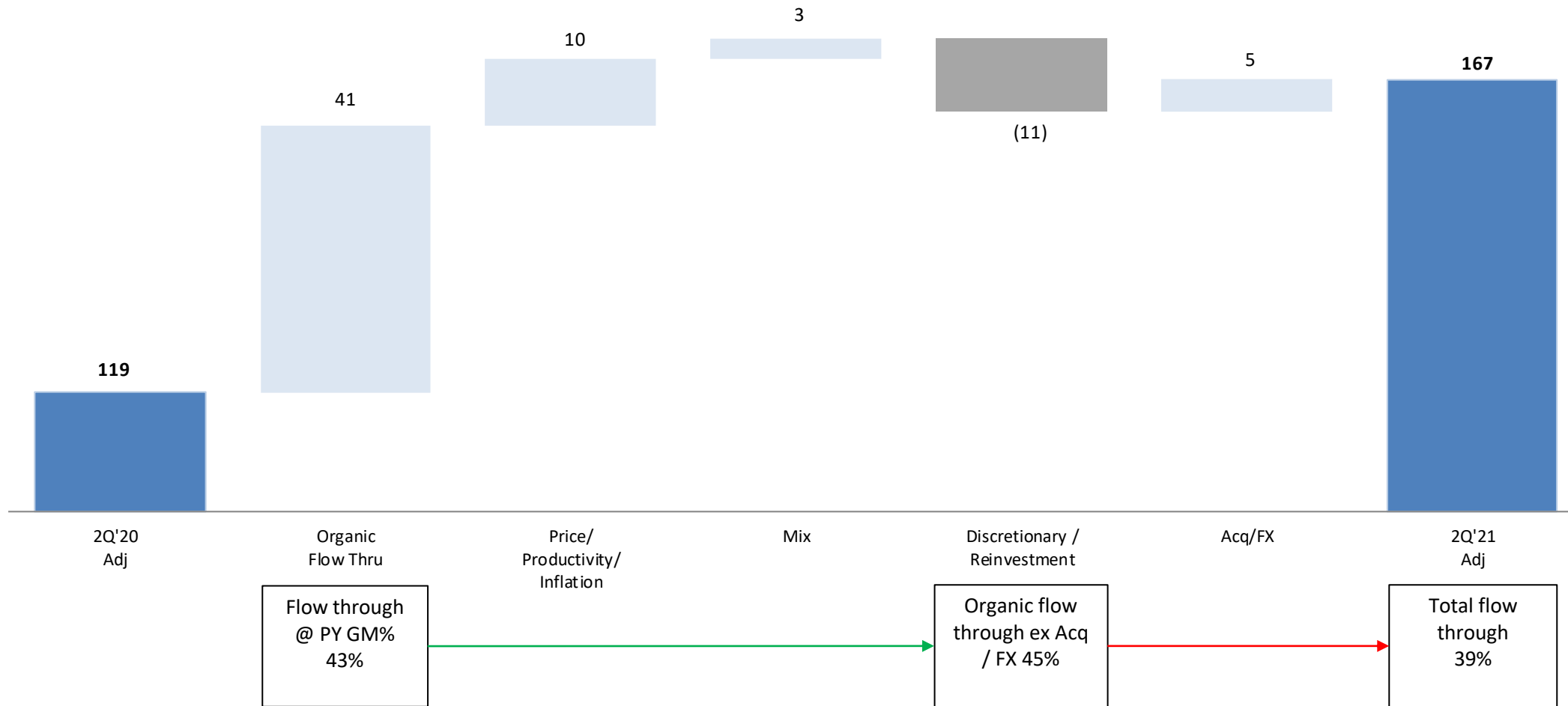


Record Q2 order growth and strong rebound from pandemic amid supply chain challenges

*Operating margin and EPS data adjusted for fair value inventory step-up (\$1.8M in Q2 2021 and \$4.1M in Q2 2020), restructuring expenses (\$3.1M in Q2 2021 and \$3.8M in Q2 2020), and corporate transaction indemnity (\$3.9M in Q2 2021). Additionally, EPS adjusted for the termination of U.S. pension plan (\$9.7M in Q2 2021) and loss on early debt redemption (\$8.6M in Q2 2021 and \$8.4M in Q2 2020).

Q2 Adjusted Operating Income Walk

(Dollars in millions)



Post-COVID volume rebound tempered by supply chain pressure and reinvestment



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2021 Guidance Summary

Q3 2021

EPS estimate range: \$1.57 – \$1.61

Organic revenue growth: 14% - 16%

Operating margin: ~24.5%

Tax rate: ~23%

FX impact: ~1.0% topline benefit based on June 30, 2021 FX rates

Corporate costs: ~\$21 million

FY 2021

EPS estimate range: \$6.26 – \$6.36

Organic revenue growth: 11% – 12%

Operating margin: ~24.5%

FX impact: : ~2.0% topline benefit based on June 30, 2021 FX rates

Other modeling items:

- Airtech acquisition to contribute ~\$0.06 in 2H 2021
- Tax rate: ~23%
- Cap Ex: \$65M+
- Free cash flow will be approximately 110% - 115% of net income
- Corporate costs: \$77 million
- EPS estimate excludes all future acquisitions and associated costs and any future restructuring expenses



IDEX Difference Updates

Hired Chief Diversity, Equity and Inclusion Officer

- Troy McIntosh joins from U.S. Cellular
- Will build global roadmap and success measures for DE&I at IDEX
- Reports directly to CEO



Solar Energy Investments

- First project 1,314 rooftop panels in Germany
- Will provide 30% of plant's electricity needs

European Flood Response

- Employees impacted at Vetter in Germany
- The spirit of IDEX – Colleagues volunteer
- Pumps expertise put to work in recovery efforts



Appendix



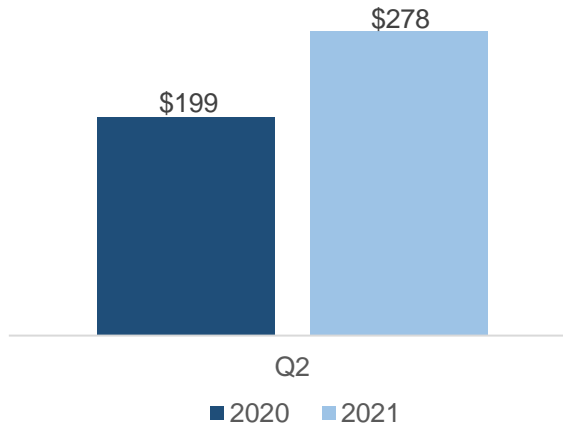
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Fluid & Metering Technologies

(Dollars in millions)

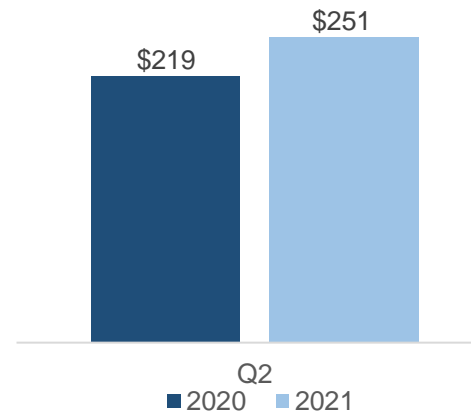
Orders

Organic: 32% increase



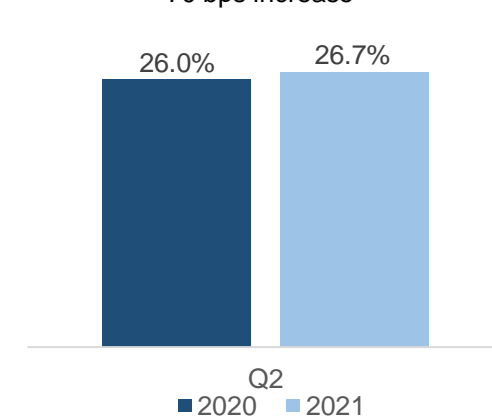
Sales

Organic: 8% increase



Operating Margin*

70 bps increase



Q2 Sales Mix:		
Organic		8%
Acquisition		4%
FX		<u>3%</u>
Reported Sales		15%

Q2 Highlights:

- ❑ Strong industrial days rates, looking for projects to layer in
- ❑ Agriculture remains at record levels
- ❑ Energy and Chemical markets lag due to lack of investment and longer project cycles.
- ❑ Water has maintained as we continue to monitor municipal budgets

Volume and price capture partly offset by increased inflation and reinvestment

*Operating margin adjusted for fair value inventory step-up (\$1.8M in Q2 2021 and \$4.1M in Q2 2020) and restructuring expenses (\$1.9M in Q2 2021 and \$1.8M Q1 2020).

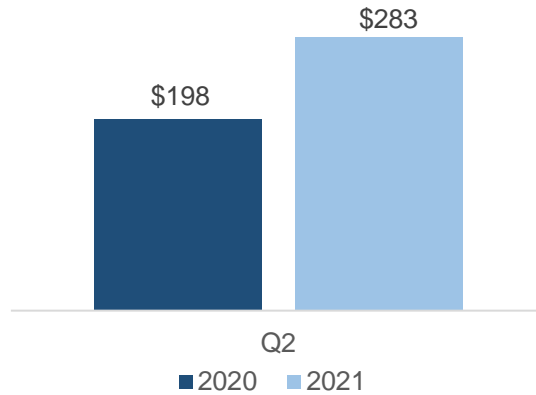


Health & Science Technologies

(Dollars in millions)

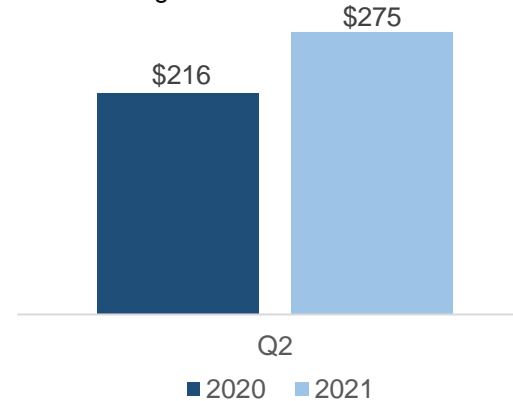
Orders

Organic: 43% increase



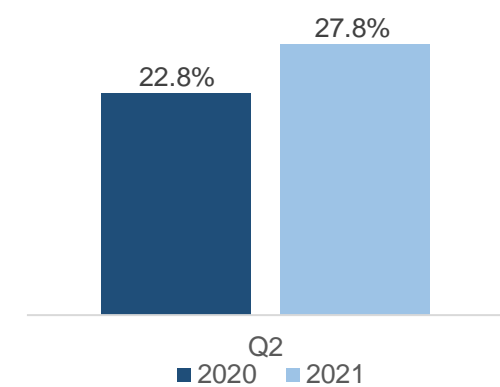
Sales

Organic: 25% increase



Operating Margin*

500 bps increase



Q2 Sales Mix:	
Organic	25%
Divestiture	(1%)
FX	<u>4%</u>
Reported Sales	28%

Q2 Highlights:

- ❑ Scientific Fluidics & Optics driven by strength in analytical instrumentation and optics
- ❑ Gast industrial recovered to 2019 levels
- ❑ MPT experiencing continued strength in Food and Pharma markets
- ❑ Sealing Solutions saw continued strengthening in the Semicon and Automotive

Strong volume and price capture partly offset by inflation and reinvestment

*Operating margin adjusted for restructuring expenses (\$0.4M in Q2 2021 and \$1.2M Q2 2020).

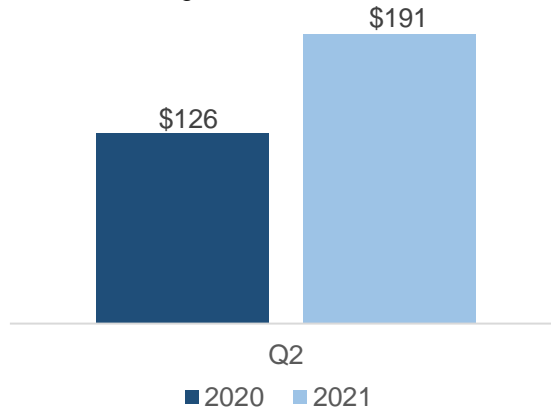


Fire & Safety / Diversified Products

(Dollars in millions)

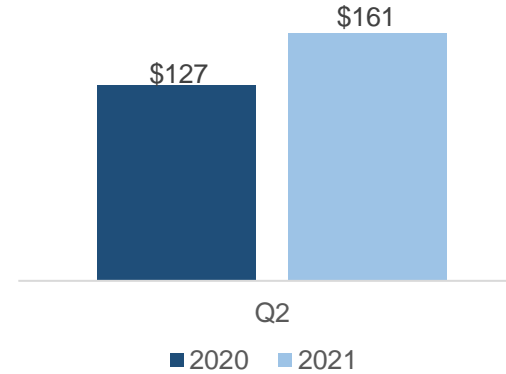
Orders

Organic: 46% increase



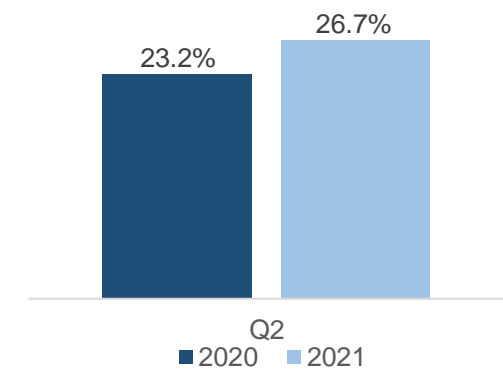
Sales

Organic: 22% increase



Operating Margin*

350 bps increase



Q2 Sales Mix:		
Organic		22%
FX		<u>5%</u>
Reported Sales		27%

Q2 Highlights:

- ❑ Fire & Rescue recovery slowed by lack of large tenders and continued slow down in EM
- ❑ Band-IT strong rebound in Automotive, Energy, and Industrial
- ❑ Dispensing solid recovery driven demand within paint markets globally

Volume and price capture partly offset by inflation and reinvestment



*Operating margin adjusted for restructuring expenses (\$0.1M in Q2 2021 and \$0.6M in Q2 2020).