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

Form 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **June 30, 2023**

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	**36-3555336**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3100 Sanders Road, Suite 301, Northbrook, Illinois	**60062**
(Address of principal executive offices)	(Zip Code)

Registrant’s telephone number, including area code: **(847) 498-7070**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $.01 per share	**IEX**	**New York Stock Exchange**

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 ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer ☐	Non-accelerated filer ☐	Smaller reporting company	☐
Emerging growth company	☐				

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☑

Number of shares of common stock of IDEX Corporation outstanding as of July 21, 2023: 75,601,661.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

IDEX CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in millions, except per share amounts)
(unaudited)

	June 30, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 457.0	$ 430.2
Receivables, less allowance for credit losses of $7.0 and $8.0, respectively	455.2	442.8
Inventories	482.5	470.9
Other current assets	93.2	55.4
Total current assets	1,487.9	1,399.3
Property, plant and equipment, net of accumulated depreciation of $538.8 and $516.7, respectively	421.6	382.1
Goodwill	2,714.4	2,638.1
Intangible assets - net	957.3	947.8
Other noncurrent assets	138.7	144.6
Total assets	$ 5,719.9	$ 5,511.9
LIABILITIES AND EQUITY		
Current liabilities		
Trade accounts payable	$ 189.7	$ 208.9
Accrued expenses	247.9	289.1
Short-term borrowings	0.5	—
Dividends payable	48.5	45.6
Total current liabilities	486.6	543.6
Long-term borrowings	1,471.5	1,468.7
Deferred income taxes	286.1	264.2
Other noncurrent liabilities	196.8	195.8
Total liabilities	2,441.0	2,472.3
Commitments and contingencies		
Shareholders’ equity		
Preferred stock:		
Authorized: 5,000,000 shares, $.01 per share par value; Issued: None	—	—
Common stock:		
Authorized: 150,000,000 shares, $.01 per share par value		
Issued: 90,073,221 shares at June 30, 2023 and 90,064,988 shares at December 31, 2022	0.9	0.9
Additional paid-in capital	834.2	817.2
Retained earnings	3,713.4	3,531.7
Treasury stock at cost: 14,367,209 shares at June 30, 2023 and 14,451,032 shares at December 31, 2022	(1,182.0)	(1,184.3)
Accumulated other comprehensive loss	(87.8)	(126.2)
Total shareholders’ equity	3,278.7	3,039.3
Noncontrolling interest	0.2	0.3
Total equity	3,278.9	3,039.6
Total liabilities and equity	$ 5,719.9	$ 5,511.9

See Notes to Condensed Consolidated Financial Statements

IDEX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share amounts)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Net sales	$ 846.2	$ 796.1	$ 1,691.6	$ 1,547.2
Cost of sales	468.2	439.2	931.1	847.8
Gross profit	378.0	356.9	760.5	699.4
Selling, general and administrative expenses	174.3	167.5	364.0	321.8
Restructuring expenses and asset impairments	3.6	2.8	4.1	3.4
Operating income	200.1	186.6	392.4	374.2
Other expense (income) - net	8.3	—	7.7	(2.3)
Interest expense	13.3	9.5	26.4	19.0
Income before income taxes	178.5	177.1	358.3	357.5
Provision for income taxes	40.0	39.0	80.0	79.5
Net income	138.5	138.1	278.3	278.0
Net loss attributable to noncontrolling interest	0.1	0.1	0.1	0.2
Net income attributable to IDEX	$ 138.6	$ 138.2	$ 278.4	$ 278.2
Earnings per common share:				
Basic earnings per common share attributable to IDEX	$ 1.83	$ 1.82	$ 3.68	$ 3.66
Diluted earnings per common share attributable to IDEX	$ 1.82	$ 1.81	$ 3.66	$ 3.65
Share data:				
Basic weighted average common shares outstanding	75.6	75.8	75.6	76.0
Diluted weighted average common shares outstanding	75.9	76.1	75.9	76.2

See Notes to Condensed Consolidated Financial Statements

IDEX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net income	$ 138.5	$ 138.1	$ 278.3	$ 278.0
Other comprehensive income (loss):				
Pension and other postretirement adjustments, net of tax	(0.9)	0.6	(0.5)	1.2
Cumulative translation adjustment	2.3	(81.9)	38.9	(101.4)
Other comprehensive income (loss)	1.4	(81.3)	38.4	(100.2)
Comprehensive income	139.9	56.8	316.7	177.8
Comprehensive loss attributable to noncontrolling interest	0.1	0.1	0.1	0.2
Comprehensive income attributable to IDEX	$ 140.0	$ 56.9	$ 316.8	$ 178.0

See Notes to Condensed Consolidated Financial Statements

IDEX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Dollars in millions)
(unaudited)

			Accumulated Other Comprehensive Loss					
	Common Stock and Additional Paid-In Capital	Retained Earnings	Cumulative Translation Adjustment	Retirement Benefits Adjustment	Treasury Stock	Total Shareholders' Equity	Noncontrolling Interest	Total Equity
Balance, December 31, 2022	$ 818.1	$ 3,531.7	$ (137.1)	$ 10.9	$ (1,184.3)	$ 3,039.3	$ 0.3	$ 3,039.6
Net income	—	139.8	—	—	—	139.8	—	139.8
Cumulative translation adjustment	—	—	36.6	—	—	36.6	—	36.6
Net change in retirement obligations (net of tax of $0.2)	—	—	—	0.4	—	0.4	—	0.4
Issuance of 84,666 shares of common stock from issuance of unvested shares, performance share units and exercise of stock options (net of tax of $1.8)	—	—	—	—	4.7	4.7	—	4.7
Shares surrendered for tax withholding	—	—	—	—	(4.4)	(4.4)	—	(4.4)
Share-based compensation	12.8	—	—	—	—	12.8	—	12.8
Balance, March 31, 2023	$ 830.9	$ 3,671.5	$ (100.5)	$ 11.3	$ (1,184.0)	$ 3,229.2	$ 0.3	$ 3,229.5
Net income (loss)	—	138.6	—	—	—	138.6	(0.1)	138.5
Cumulative translation adjustment	—	—	2.3	—	—	2.3	—	2.3
Net change in retirement obligations (net of tax of $(0.4))	—	—	—	(0.9)	—	(0.9)	—	(0.9)
Issuance of 26,763 shares of common stock from issuance of unvested shares, performance share units and exercise of stock options (net of tax of $0.3)	—	—	—	—	3.3	3.3	—	3.3
Repurchase of 5,400 shares of common stock	—	—	—	—	(1.1)	(1.1)	—	(1.1)
Shares surrendered for tax withholding	—	—	—	—	(0.2)	(0.2)	—	(0.2)
Share-based compensation	4.2	—	—	—	—	4.2	—	4.2
Cash dividends declared - $1.28 per common share outstanding	—	(96.7)	—	—	—	(96.7)	—	(96.7)
Balance, June 30, 2023	$ 835.1	$ 3,713.4	$ (98.2)	$ 10.4	$ (1,182.0)	$ 3,278.7	$ 0.2	$ 3,278.9

			Accumulated Other Comprehensive Loss					
	Common Stock and Additional Paid-In Capital	Retained Earnings	Cumulative Translation Adjustment	Retirement Benefits Adjustment	Treasury Stock	Total Shareholders' Equity	Noncontrolling Interest	Total Equity
Balance, December 31, 2021	$ 796.5	$ 3,126.5	$ (62.2)	$ (7.4)	$ (1,050.3)	$ 2,803.1	$ —	$ 2,803.1
Net income (loss)	—	140.0	—	—	—	140.0	(0.1)	139.9
Cumulative translation adjustment	—	—	(19.5)	—	—	(19.5)	—	(19.5)
Net change in retirement obligations (net of tax of $0.2)	—	—	—	0.6	—	0.6	—	0.6
Issuance of 73,755 shares of common stock from issuance of unvested shares, performance share units and exercise of stock options (net of tax of $1.7)	—	—	—	—	1.4	1.4	—	1.4
Repurchase of 147,500 shares of common stock	—	—	—	—	(28.3)	(28.3)	—	(28.3)
Shares surrendered for tax withholding	—	—	—	—	(4.9)	(4.9)	—	(4.9)
Share-based compensation	6.6	—	—	—	—	6.6	—	6.6
Balance, March 31, 2022	$ 803.1	$ 3,266.5	$ (81.7)	$ (6.8)	$ (1,082.1)	$ 2,899.0	$ (0.1)	$ 2,898.9
Net income (loss)	—	138.2	—	—	—	138.2	(0.1)	138.1
Cumulative translation adjustment	—	—	(81.9)	—	—	(81.9)	—	(81.9)
Net change in retirement obligations (net of tax of $0.5)	—	—	—	0.6	—	0.6	—	0.6
Issuance of 42,408 shares of common stock from issuance of unvested shares, performance share units and exercise of stock options (net of tax of $0.4)	—	—	—	—	3.8	3.8	—	3.8
Repurchase of 474,690 shares of common stock	—	—	—	—	(87.5)	(87.5)	—	(87.5)
Share-based compensation	6.9	—	—	—	—	6.9	—	6.9
Cash dividends declared - $1.20 per common share outstanding	—	(90.9)	—	—	—	(90.9)	—	(90.9)
Balance, June 30, 2022	$ 810.0	$ 3,313.8	$ (163.6)	$ (6.2)	$ (1,165.8)	$ 2,788.2	$ (0.2)	$ 2,788.0

See Notes to Condensed Consolidated Financial Statements

IDEX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(unaudited)

	Six Months Ended June 30,	
	2023	**2022**
Cash flows from operating activities		
Net income	$ 278.3	$ 278.0
Adjustments to reconcile net income to net cash provided by operating activities:		
Gains on sales of assets	(0.2)	(2.6)
Asset impairments	0.5	0.2
Credit loss on note receivable from collaborative partner	7.7	—
Depreciation	27.2	24.7
Amortization of intangible assets	46.8	32.2
Amortization of debt issuance expenses	0.8	0.8
Share-based compensation expense	17.0	13.5
Deferred income taxes	—	(0.2)
Changes in (net of the effect from acquisitions and foreign exchange):		
Receivables	(5.8)	(68.7)
Inventories	(2.0)	(84.5)
Other current assets	(18.6)	(17.8)
Trade accounts payable	(17.9)	36.2
Deferred revenue	4.2	1.3
Accrued expenses	(52.5)	(22.5)
Other - net	3.6	1.4
Net cash flows provided by operating activities	289.1	192.0
Cash flows from investing activities		
Purchases of property, plant and equipment	(48.2)	(31.7)
Acquisition of businesses, net of cash acquired	(110.3)	(234.9)
Proceeds from disposal of fixed assets	1.3	6.6
Purchases of marketable securities	(19.1)	—
Other - net	(0.3)	(0.1)
Net cash flows used in investing activities	(176.6)	(260.1)
Cash flows from financing activities		
Proceeds from issuance of 5.13% Senior Notes	100.0	—
Payment of 3.20% Senior Notes	(100.0)	—
Dividends paid	(93.9)	(86.9)
Proceeds from stock option exercises	8.0	5.2
Repurchases of common stock	(1.0)	(110.4)
Shares surrendered for tax withholding	(4.6)	(4.9)
Other - net	(0.5)	(0.1)
Net cash flows used in financing activities	(92.0)	(197.1)
Effect of exchange rate changes on cash and cash equivalents	6.3	(32.4)
Net increase (decrease) in cash and cash equivalents	26.8	(297.6)
Cash and cash equivalents at beginning of year	430.2	855.4
Cash and cash equivalents at end of period	$ 457.0	$ 557.8
Supplemental cash flow information		
Cash paid for:		
Interest	$ 25.1	$ 18.5
Income taxes	102.9	86.9

See Notes to Condensed Consolidated Financial Statements

IDEX CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in millions, except per share amounts)
(unaudited)

1. Basis of Presentation and Significant Accounting Policies

The Condensed Consolidated Financial Statements of IDEX Corporation ("IDEX" or the "Company") have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") applicable to interim financial information and the instructions to Form 10-Q under the Securities Exchange Act of 1934, as amended. The statements are unaudited but include all adjustments, consisting only of recurring items, except as noted, that the Company considers necessary for a fair presentation of the information set forth herein. The results of operations for the three and six months ended June 30, 2023 are not necessarily indicative of the results to be expected for the entire year.

The Condensed Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations set forth in this report should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

Recently Adopted Accounting Standards

In October 2021, the Financial Accounting Standards Board issued Accounting Standards Update 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which adds contract assets and contract liabilities to the list of exceptions to the recognition and measurement principles that apply to business combinations and requires that an acquirer recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with revenue recognition guidance. The Company adopted this standard on a prospective basis for the annual and interim periods beginning January 1, 2023. The adoption of this standard did not have a material impact on the Company's Condensed Consolidated Financial Statements.

2. Acquisitions

All of the Company's acquisitions of businesses have been accounted for under Accounting Standards Codification ("ASC") 805, *Business Combinations*. Accordingly, the assets and liabilities of the acquired companies, after adjustments to reflect the fair values assigned to the assets and liabilities, have been included in the Company's Condensed Consolidated Financial Statements from their respective dates of acquisition. The results of operations of Nexsight, LLC and its businesses Envirosight, WinCan, MyTana and Pipeline Renewal Technologies ("Nexsight") (acquired February 28, 2022), KZ CO. ("KZValve") (acquired May 2, 2022), Muon B.V. and its subsidiaries ("Muon Group") (acquired November 18, 2022) and Iridian Spectral Technologies ("Iridian") (acquired May 19, 2023) have been included in the Company's Condensed Consolidated Financial Statements since the respective dates of acquisition. Supplemental pro forma information has not been provided as the acquisitions did not have a material impact on the Company's Condensed Consolidated Financial Statements individually or in the aggregate.

2023 Acquisitions

Iridian

On May 19, 2023, the Company acquired Iridian in a stock acquisition. Iridian is a global leader in designing and manufacturing thin-film, multi-layer optical filters serving the laser communications, telecommunications and life sciences markets and expands the Company's array of optical technology offerings. Headquartered in Ottawa, Ontario, Canada, Iridian operates in the Company's Scientific Fluidics & Optics reporting unit within the Health & Science Technologies ("HST") segment. Iridian was acquired for cash consideration of $110.3 million. The entire purchase price was funded with cash on hand. Goodwill and intangible assets recognized as part of this transaction were $53.6 million and $45.6 million, respectively. The goodwill is not deductible for tax purposes.

IDEX CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in millions, except per share amounts)
(unaudited)

The Company made a preliminary allocation of the purchase price for the Iridian acquisition as of the acquisition date based on its understanding of the fair value of the acquired assets and assumed liabilities. These nonrecurring fair value measurements are classified as Level 3 in the fair value hierarchy. As the Company continues to obtain additional information, primarily related to the valuations of these assets and liabilities, and continues to integrate the newly acquired business, the Company will refine the estimates of fair value and more accurately allocate the purchase price. Only items identified as of the acquisition date are considered for subsequent adjustment. The Company will continue to make required adjustments to the purchase price allocation prior to the completion of the measurement period.

The preliminary allocation of the purchase price to the assets acquired and liabilities assumed, based on their estimated fair values at the acquisition date, is as follows:

		Total
Current assets, net of cash acquired	$	10.6
Property, plant and equipment		19.9
Goodwill		53.6
Intangible assets		45.6
Other noncurrent assets		5.4
Total assets acquired		135.1
Current liabilities		(1.2)
Deferred income taxes		(18.7)
Other noncurrent liabilities		(4.9)
Net assets acquired	$	110.3

Acquired intangible assets consist of trade names, customer relationships and unpatented technology. The goodwill recorded for the acquisition reflects the strategic fit, revenue and earnings growth potential of this business.

The acquired intangible assets and weighted average amortization periods are as follows:

		Total	Weighted Average Life
Trade names	$	5.2	15
Customer relationships		29.3	12
Unpatented technology		11.1	11
Acquired intangible assets	$	45.6	

The Company incurred $2.5 million and $3.6 million of acquisition-related costs during the three and six months ended June 30, 2023, respectively. These costs were recorded in Selling, general and administrative expenses and were related to completed transactions, pending transactions and potential transactions, including transactions that ultimately were not completed.

2022 Acquisitions

Nexsight

On February 28, 2022, the Company acquired Nexsight in a partial stock and asset acquisition. Nexsight complements and creates synergies with the Company's existing iPEK and ADS business units that design and create sewer crawlers, inspection and monitoring systems and software applications that allow teams to identify, anticipate and correct wastewater system issues remotely. Headquartered in Randolph, New Jersey, Nexsight operates in the Company's Water reporting unit within the Fluid & Metering Technologies ("FMT") segment. Nexsight was acquired for cash consideration of $112.5 million. The entire purchase price was funded with cash on hand. Goodwill and intangible assets recognized as part of this transaction were $54.7 million and $49.8 million, respectively. The goodwill is partially deductible for tax purposes.

(Dollars in millions, except per share amounts)

The Company finalized the allocation of the purchase price for the Nexsight acquisition as of the acquisition date based on its understanding of the fair value of the acquired assets and assumed liabilities. These nonrecurring fair value measurements are classified as Level 3 in the fair value hierarchy.

The final allocation of the purchase price to the assets acquired and liabilities assumed, based on their estimated fair values at the acquisition date, is as follows:

	Total
Current assets, net of cash acquired	$ 16.6
Property, plant and equipment	2.0
Goodwill	54.7
Intangible assets	49.8
Other noncurrent assets	4.3
Total assets acquired	127.4
Current liabilities	(9.2)
Deferred income taxes	(1.9)
Other noncurrent liabilities	(3.8)
Net assets acquired	$ 112.5

Acquired intangible assets consist of trade names, customer relationships and software. The goodwill recorded for the acquisition reflects the strategic fit, revenue and earnings growth potential of this business.

The acquired intangible assets and weighted average amortization periods are as follows:

	Total	Weighted Average Life
Trade names	$ 13.5	15
Customer relationships	31.5	10
Software	4.8	5
Acquired intangible assets	$ 49.8	

KZValve

On May 2, 2022, the Company acquired KZValve in an asset acquisition. KZValve is a leading manufacturer of electric valves and controllers used primarily in agricultural applications. KZValve augments and expands IDEX's agricultural portfolio, complementing Banjo's current fluid management solutions for these applications. Headquartered in Greenwood, Nebraska, KZValve operates in the Company's Agriculture reporting unit within the FMT segment. KZValve was acquired for cash consideration of $120.1 million. The entire purchase was funded with cash on hand. Goodwill and intangible assets recognized as part of this transaction were $56.4 million and $52.0 million, respectively. The goodwill is deductible for tax purposes.

The Company finalized the allocation of the purchase price for the KZValve acquisition as of the acquisition date based on its understanding of the fair value of the acquired assets and assumed liabilities. These nonrecurring fair value measurements are classified as Level 3 in the fair value hierarchy.

The final allocation of the purchase price to the assets acquired and liabilities assumed, based on their estimated fair values at the acquisition date, is as follows:

(Dollars in millions, except per share amounts)

	Total
Current assets, net of cash acquired	$ 9.7
Property, plant and equipment	1.8
Goodwill	56.4
Intangible assets	52.0
Deferred income taxes	0.2
Other noncurrent assets	1.0
Total assets acquired	121.1
Current liabilities	(1.0)
Net assets acquired	$ 120.1

Acquired intangible assets consist of trade names, customer relationships and unpatented technology. The goodwill recorded for the acquisition reflects the strategic fit, revenue and earnings growth potential of this business.

The acquired intangible assets and weighted average amortization periods are as follows:

	Total	Weighted Average Life
Trade names	$ 7.5	15
Customer relationships	36.0	13
Unpatented technology	8.5	10
Acquired intangible assets	$ 52.0	

Muon Group

On November 18, 2022, the Company acquired the stock of Muon Group. Muon Group manufactures highly precise flowpaths in a variety of materials that enable the movement of various liquids and gases in critical applications for medical, semiconductor, food processing, digital printing and filtration technologies. Muon Group maintains operations in Hapert, the Netherlands; Eerbeek, the Netherlands; Wijchen, the Netherlands; Dorset, United Kingdom and Pune, India and operates in the Company's Scientific Fluidics & Optics reporting unit within the HST segment. Muon Group was acquired for cash consideration of $713.0 million. The purchase price was funded with $342.6 million of cash on hand, $170.4 million of proceeds from the Company's Revolving Credit Facility and $200.0 million of proceeds from the Company's Term Facility. Goodwill and intangible assets recognized as part of this transaction were $393.0 million and $319.1 million, respectively. The goodwill is not deductible for tax purposes.

The Company made a preliminary allocation of the purchase price for the Muon Group acquisition as of the acquisition date based on its understanding of the fair value of the acquired assets and assumed liabilities. These nonrecurring fair value measurements are classified as Level 3 in the fair value hierarchy. As the Company continues to obtain additional information, primarily related to the valuations of these assets and liabilities, and continues to integrate the newly acquired business, the Company will refine the estimates of fair value and more accurately allocate the purchase price. Only items identified as of the acquisition date are considered for subsequent adjustment. The Company will continue to make required adjustments to the purchase price allocation prior to the completion of the measurement period.

The preliminary allocation of the purchase price to the assets acquired and liabilities assumed, based on their estimated fair values at the acquisition date, is as follows:

IDEX CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in millions, except per share amounts)
(unaudited)

		Total
Current assets, net of cash acquired	$	52.8
Property, plant and equipment		59.1
Goodwill		393.0
Intangible assets		319.1
Other noncurrent assets		9.6
Total assets acquired		833.6
Current liabilities		(25.8)
Deferred income taxes		(83.9)
Other noncurrent liabilities		(10.9)
Net assets acquired	$	713.0

Acquired intangible assets consist of trade names, customer relationships and unpatented technology. The goodwill recorded for the acquisition reflects the strategic fit, revenue and earnings growth potential of this business.

The acquired intangible assets and weighted average amortization periods are as follows:

		Total	Weighted Average Life
Trade names	$	38.3	15
Customer relationships		212.4	13
Unpatented technology		68.4	11
Acquired intangible assets	$	319.1	

The Company incurred $1.7 million and $2.6 million of acquisition-related costs during the three and six months ended June 30, 2022, respectively. These costs were recorded in Selling, general and administrative expenses and were related to completed transactions, pending transactions and potential transactions, including transactions that ultimately were not completed. The Company also recorded $0.1 million and $0.3 million of fair value inventory step-up charges associated with the completed 2022 acquisitions of Nexsight and KZValve, respectively, in Cost of sales during the three and six months ended June 30, 2022.

3. Collaborative Investments

During 2021 and 2022, a subsidiary of IDEX funded a total of $7.2 million in promissory notes as an investment in a start-up company that provides communication technology to improve individual performance and team coordination for firefighters' responses, which aligns with our FSDP segment's strategic plan. On a quarterly basis, the Company evaluates whether an allowance for credit losses is required for these promissory notes and measures the allowance using the current expected credit loss model. While the Company continues to retain certain convertible equity rights as well as a secured interest in the intellectual property of the start-up company, during the second quarter of 2023, IDEX concluded it would pause additional funding for the start-up. As a result of the Company's analysis of the recoverability of its investment during the second quarter, IDEX determined that its investment may no longer be recoverable. As a result, IDEX recorded a credit loss of $7.7 million in Other expense (income) - net in the Condensed Consolidated Statements of Income and a reserve in Other noncurrent assets on the Condensed Consolidated Balance Sheets for the full amount of the principal and accrued interest outstanding at June 30, 2023.

4. Business Segments

IDEX has three reportable business segments: Fluid & Metering Technologies ("FMT"), Health & Science Technologies ("HST") and Fire & Safety/Diversified Products ("FSDP").

The FMT segment designs, produces and distributes positive displacement pumps, valves, small volume provers, flow meters, injectors and other fluid-handling pump modules and systems and provides flow monitoring and other services for the food, chemical, general industrial, water and wastewater, agriculture and energy industries. FMT application-specific pump and metering solutions serve a diverse range of end markets, including industrial infrastructure (fossil fuels, refined and alternative fuels and water and wastewater), energy, chemical processing, agriculture, food and beverage, semiconductor, pulp and paper, automotive/transportation, plastics and resins, electronics and electrical, construction and mining, pharmaceutical and biopharmaceutical, machinery and numerous other specialty niche markets.

The HST segment designs, produces and distributes a wide range of precision fluidics, rotary lobe pumps, centrifugal and positive displacement pumps, roll compaction and drying systems, micro-precision components, pneumatic components and sealing solutions, high performance molded and extruded sealing components, custom mechanical and shaft seals, engineered hygienic mixers and valves, biocompatible medical devices and implantables, air compressors and blowers, optical components and coatings, laboratory and commercial equipment, precision photonic solutions and precision gear and peristaltic pump technologies. HST serves a variety of end markets, including food and beverage, life sciences, analytical instruments, pharmaceutical and biopharmaceutical, industrial, semiconductor, digital printing, automotive/transportation, medical/dental, energy, cosmetics, marine, chemical, wastewater and water treatment, research and aerospace/defense markets.

The FSDP segment designs, produces and distributes firefighting pumps, valves and controls, rescue tools, lifting bags and other components and systems for the fire and rescue industry, engineered stainless steel banding and clamping devices used in a variety of industrial and commercial applications in the automotive, energy and industrial markets and precision equipment for dispensing, metering and mixing colorants and paints used in a variety of retail and commercial businesses in the paint and industrial markets around the world.

Information on the Company’s business segments is presented below based on the nature of the products and services offered. The Company uses Adjusted EBITDA as its principal measure of segment performance. Intersegment sales are contracted with terms equivalent to those of an arm’s-length transaction.

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	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net sales				
Fluid & Metering Technologies				
External customers	$ 324.1	$ 299.5	$ 645.2	$ 571.4
Intersegment sales	1.0	0.4	1.7	0.5
Total segment sales	325.1	299.9	646.9	571.9
Health & Science Technologies				
External customers	338.4	325.4	688.7	640.0
Intersegment sales	1.1	0.6	1.8	1.2
Total segment sales	339.5	326.0	690.5	641.2
Fire & Safety/Diversified Products				
External customers	183.7	171.2	357.7	335.8
Intersegment sales	1.1	—	1.5	0.1
Total segment sales	184.8	171.2	359.2	335.9
Intersegment eliminations	(3.2)	(1.0)	(5.0)	(1.8)
Net sales	$ 846.2	$ 796.1	$ 1,691.6	$ 1,547.2
ADJUSTED EBITDA				
Fluid & Metering Technologies	$ 114.1	$ 95.0	$ 220.3	$ 183.4
Health & Science Technologies	93.7	103.6	194.4	203.4
Fire & Safety/Diversified Products	54.5	45.1	104.2	89.5
Segment Adjusted EBITDA	262.3	243.7	518.9	476.3
Corporate and other	(21.6)	(24.5)	(48.4)	(42.4)
Adjusted EBITDA	240.7	219.2	470.5	433.9
- Interest expense	13.3	9.5	26.4	19.0
- Depreciation	14.4	12.5	27.2	24.7
- Amortization	23.2	16.9	46.8	32.2
- Fair value inventory step-up charges	—	0.4	—	0.4
- Restructuring expenses and asset impairments	3.6	2.8	4.1	2.8
+ Gains on sales of assets	—	—	—	(2.7)
- Credit loss on note receivable from collaborative partner[1]	7.7	—	7.7	—
Income before income taxes	$ 178.5	$ 177.1	$ 358.3	$ 357.5

(1) Represents a reserve on an investment with a collaborative partner that may no longer be recoverable. See Note 3 for further detail.

	June 30, 2023	December 31, 2022
ASSETS		
Fluid & Metering Technologies	$ 1,698.3	$ 1,676.9
Health & Science Technologies	3,075.4	2,931.1
Fire & Safety/Diversified Products	793.0	771.8
Corporate and other	153.2	132.1
Total assets	$ 5,719.9	$ 5,511.9

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5. Revenue

Disaggregation of Revenue

The Company has a comprehensive offering of products, including technologies, built to customers' specifications that are sold in niche markets throughout the world. The Company disaggregates its revenue from contracts with customers by reporting unit and geographical region for each segment as the Company believes it best depicts how the amount, nature, timing and uncertainty of its revenue and cash flows are affected by economic factors. Revenue was attributed to geographical region based on the location of the customer. The following tables present revenue disaggregated by reporting unit and geographical region.

Revenue by reporting unit for the three and six months ended June 30, 2023 and 2022 was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Pumps	$ 109.2	$ 104.5	$ 214.3	$ 201.
Water	87.3	81.6	181.4	146.
Energy	55.7	44.7	106.4	93.
Agriculture	40.1	38.1	78.7	70.
Valves	32.8	31.0	66.1	60.
Intersegment elimination	(1.0)	(0.4)	(1.7)	(0.
Fluid & Metering Technologies	324.1	299.5	645.2	571.
Scientific Fluidics & Optics	169.0	149.2	347.6	290.
Performance Pneumatic Technologies	66.0	65.1	135.4	127.
Sealing Solutions	62.4	68.0	127.1	138.
Material Processing Technologies	33.0	34.8	60.7	68.
Micropump	9.1	8.9	19.7	17.
Intersegment elimination	(1.1)	(0.6)	(1.8)	(1.
Health & Science Technologies	338.4	325.4	688.7	640.
Fire & Safety	109.8	99.8	216.0	195.
Dispensing	44.7	43.8	80.9	85.
BAND-IT	30.3	27.6	62.3	55.
Intersegment elimination	(1.1)	—	(1.5)	(0.
Fire & Safety/Diversified Products	183.7	171.2	357.7	335.
Net sales	$ 846.2	$ 796.1	$ 1,691.6	$ 1,547.

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Revenue by geographical region for the three and six months ended June 30, 2023 and 2022 was as follows:

	Three Months Ended June 30, 2023			
	FMT	HST	FSDP	IDEX
U.S.	$ 180.7	$ 148.5	$ 96.7	$ 425.9
North America, excluding U.S.	17.9	8.2	8.1	34.2
Europe	51.5	111.2	42.4	205.1
Asia	48.8	65.2	28.0	142.0
Other [(1)]	26.2	6.4	9.6	42.2
Intersegment elimination	(1.0)	(1.1)	(1.1)	(3.2)
Net sales	$ 324.1	$ 338.4	$ 183.7	$ 846.2

	Three Months Ended June 30, 2022			
	FMT	HST	FSDP	IDEX
U.S.	$ 170.5	$ 157.7	$ 85.0	$ 413.2
North America, excluding U.S.	16.6	9.5	8.5	34.6
Europe	51.8	92.5	42.0	186.3
Asia	41.2	60.8	26.6	128.6
Other [(1)]	19.8	5.5	9.1	34.4
Intersegment elimination	(0.4)	(0.6)	—	(1.0)
Net sales	$ 299.5	$ 325.4	$ 171.2	$ 796.1

	Six Months Ended June 30, 2023			
	FMT	HST	FSDP	IDEX
U.S.	$ 357.5	$ 298.1	$ 186.1	$ 841.7
North America, excluding U.S.	37.3	13.4	16.6	67.3
Europe	110.7	232.1	87.1	429.9
Asia	93.9	131.8	51.4	277.1
Other [(1)]	47.5	15.1	18.0	80.6
Intersegment elimination	(1.7)	(1.8)	(1.5)	(5.0)
Net sales	$ 645.2	$ 688.7	$ 357.7	$ 1,691.6

	Six Months Ended June 30, 2022			
	FMT	HST	FSDP	IDEX
U.S.	$ 320.5	$ 309.7	$ 161.5	$ 791.7
North America, excluding U.S.	33.9	17.0	19.4	70.3
Europe	100.5	183.8	87.0	371.3
Asia	77.7	119.6	50.0	247.3
Other [(1)]	39.3	11.1	18.0	68.4
Intersegment elimination	(0.5)	(1.2)	(0.1)	(1.8)
Net sales	$ 571.4	$ 640.0	$ 335.8	$ 1,547.2

[(1)] Other includes: South America, Middle East, Australia and Africa.

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Performance Obligations

The Company’s performance obligations are satisfied either at a point in time or over time as work progresses. Revenue from products and services transferred to customers at a point in time approximated 95% of total revenues in all periods presented. Revenue from products and services transferred to customers over time approximated 5% of total revenues in all periods presented.

Contract Balances

The timing of revenue recognition, billings and cash collections can result in customer receivables, advance payments or billings in excess of revenue recognized. Customer receivables include both amounts billed and currently due from customers as well as unbilled amounts (contract assets) and are included in Receivables on the Condensed Consolidated Balance Sheets. Amounts are billed in accordance with contractual terms or as work progresses. Unbilled amounts arise when the timing of billing differs from the timing of revenue recognized, such as when contract provisions require specific milestones to be met before a customer can be billed. Unbilled amounts primarily relate to performance obligations satisfied over time when the cost- to-cost method is utilized and the revenue recognized exceeds the amount billed to the customer as there is not yet a right to invoice in accordance with contractual terms. Unbilled amounts are recorded as a contract asset when the revenue associated with the contract is recognized prior to billing and derecognized when billed in accordance with the terms of the contract.

The composition of customer receivables was as follows:

	June 30, 2023	December 31, 2022
Billed receivables	$ 437.6	$ 421.3
Unbilled receivables	9.5	10.0
Total customer receivables	$ 447.1	$ 431.3

Advance payments, deposits and billings in excess of revenue recognized are included in deferred revenue which is classified as current or noncurrent based on the timing of when the Company expects to recognize the revenue. The current portion is included in Accrued expenses and the noncurrent portion is included in Other noncurrent liabilities on the Condensed Consolidated Balance Sheets. Advance payments and deposits represent contract liabilities and are recorded when customers remit contractual cash payments in advance of the Company satisfying performance obligations under contractual arrangements, including those with performance obligations satisfied over time. The Company generally receives advance payments from customers related to maintenance services which are recognized ratably over the service term. The Company also receives deposits from customers on certain orders which the Company recognizes as revenue at a point in time. Billings in excess of revenue recognized represent contract liabilities and primarily relate to performance obligations satisfied over time when the cost-to-cost method is utilized and revenue cannot yet be recognized as the Company has not completed the corresponding performance obligation. Contract liabilities are derecognized when revenue is recognized and the performance obligation is satisfied.

The composition of deferred revenue was as follows:

	June 30, 2023	December 31, 2022
Deferred revenue - current	$ 51.3	$ 44.7
Deferred revenue - noncurrent	12.6	15.0
Total deferred revenue	$ 63.9	$ 59.7

6. Earnings Per Common Share

Diluted earnings per common share (“EPS”) attributable to IDEX is computed by dividing Net income attributable to IDEX by the weighted average number of shares of common stock (basic) plus common stock equivalents (diluted) outstanding during the period. Common stock equivalents consist of restricted stock, performance share units and stock options, which have been included in the calculation of weighted average shares outstanding using the treasury stock method.

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ASC 260, *Earnings Per Share*, concludes that all outstanding unvested share-based payment awards that contain rights to non-forfeitable dividends participate in undistributed earnings with common shareholders. If awards are considered participating securities, the Company is required to apply the two-class method of computing basic and diluted earnings per share. The Company has determined that its outstanding shares of restricted stock are participating securities. Accordingly, Diluted EPS attributable to IDEX was computed using the two-class method prescribed by ASC 260.

Basic weighted average shares outstanding reconciles to diluted weighted average shares outstanding as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Basic weighted average common shares outstanding	75.6	75.8	75.6	76.0
Dilutive effect of stock options, restricted stock and performance share units	0.3	0.3	0.3	0.2
Diluted weighted average common shares outstanding	75.9	76.1	75.9	76.2

Options to purchase approximately 0.2 million and 0.5 million shares of common stock for the three months ended June 30, 2023 and 2022, respectively, and 0.2 million and 0.5 million shares of common stock for the six months ended June 30, 2023 and 2022, respectively, were not included in the computation of Diluted EPS attributable to IDEX because the effect of their inclusion would have been antidilutive.

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7. Balance Sheet Components

	June 30, 2023	December 31, 2022
INVENTORIES		
Raw materials and component parts	$ 313.3	$ 301.2
Work in process	50.5	54.3
Finished goods	118.7	115.4
Total inventories	$ 482.5	$ 470.9
ACCRUED EXPENSES		
Payroll and related items	$ 83.7	$ 102.7
Management incentive compensation	8.9	26.4
Income taxes payable	19.2	30.2
Insurance	10.7	11.2
Warranty	8.2	8.1
Deferred revenue	51.3	44.7
Lease liability	21.6	21.6
Restructuring	1.8	1.4
Accrued interest	5.7	5.5
Pension and retiree medical obligations	3.3	3.3
Other	33.5	34.0
Total accrued expenses	$ 247.9	$ 289.1
OTHER NONCURRENT LIABILITIES		
Pension and retiree medical obligations	$ 55.0	$ 55.1
Transition tax payable	5.0	9.1
Deferred revenue	12.6	15.0
Lease liability	101.6	96.6
Other	22.6	20.0
Total other noncurrent liabilities	$ 196.8	$ 195.8

8. Goodwill and Intangible Assets

The changes in the carrying amount of goodwill for the six months ended June 30, 2023, by reportable business segment, were as follows:

	FMT	HST	FSDP	IDEX
Goodwill	$ 800.9	$ 1,644.8	$ 393.0	$ 2,838.7
Accumulated goodwill impairment losses	(20.7)	(149.8)	(30.1)	(200.6)
Balance at January 1, 2023	780.2	1,495.0	362.9	2,638.1
Foreign currency translation	3.4	16.2	3.1	22.7
Acquisitions	—	53.6	—	53.6
Acquisition adjustments	(1.8)	1.8	—	—
Balance at June 30, 2023	$ 781.8	$ 1,566.6	$ 366.0	$ 2,714.4

ASC 350, *Goodwill and Other Intangible Assets,* requires that goodwill be tested for impairment at the reporting unit level on an annual basis and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying value. In the first six months of 2023, there were no events or circumstances that would have required an interim impairment test. Annually, on October 31, goodwill and other acquired intangible assets with indefinite lives are tested for impairment. Based on the results of the Company's annual impairment test at October 31, 2022, all reporting units had fair values in excess of their carrying values.

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The following table provides the gross carrying value and accumulated amortization for each major class of intangible asset at June 30, 2023 and December 31, 2022:

	At June 30, 2023				At December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net	Weighted Average Life	Gross Carrying Amount	Accumulated Amortization	Net
Amortized intangible assets:							
Patents	$ 2.9	$ (2.0)	$ 0.9	12	$ 2.9	$ (1.8)	$ 1.1
Trade names	194.5	(79.7)	114.8	15	186.5	(71.4)	115.1
Customer relationships	805.6	(212.4)	593.2	13	772.2	(184.9)	587.3
Unpatented technology	214.3	(60.4)	153.9	12	207.1	(57.8)	149.3
Software	4.9	(1.3)	3.6	5	4.8	(0.7)	4.1
Total amortized intangible assets	1,222.2	(355.8)	866.4		1,173.5	(316.6)	856.9
Indefinite-lived intangible assets:							
Banjo trade name	62.1	—	62.1		62.1	—	62.1
Akron Brass trade name	28.8	—	28.8		28.8	—	28.8
Total intangible assets	$ 1,313.1	$ (355.8)	$ 957.3		$ 1,264.4	$ (316.6)	$ 947.8

The Banjo trade name and the Akron Brass trade name are indefinite-lived intangible assets which are tested for impairment on an annual basis in accordance with ASC 350 or more frequently if events or changes in circumstances indicate that the assets might be impaired. Based on the results of the Company's annual impairment test at October 31, 2022, these indefinite-lived intangible assets had fair values in excess of their carrying values. In the first six months of 2023, there were no events or circumstances that would have required an interim impairment test on these indefinite-lived intangible assets.

Amortization of intangible assets was $23.2 million and $46.8 million for the three and six months ended June 30, 2023, respectively. Amortization of intangible assets was $16.9 million and $32.2 million for the three and six months ended June 30, 2022, respectively. Based on the intangible asset balances as of June 30, 2023, expected amortization expense for the remaining six months of 2023 and for the years 2024 through 2027 is as follows:

Maturity of Intangible Assets	Estimated Amortization
2023 (excluding the six months ended June 30, 2023)	$ 47.7
2024	91.6
2025	90.2
2026	88.5
2027	84.5

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9. Borrowings

Borrowings at June 30, 2023 and December 31, 2022 consisted of the following:

	June 30, 2023	December 31, 2022
3.20% Senior Notes, due June 2023	$ —	$ 100.0
3.37% Senior Notes, due June 2025	100.0	100.0
5.13% Senior Notes, due June 2028	100.0	—
3.00% Senior Notes, due May 2030	500.0	500.0
2.625% Senior Notes, due June 2031	500.0	500.0
$800.0 million Revolving Credit Facility, due November 2027[1]	79.5	77.7
$200.0 million Term Facility, due November 2027[2]	200.0	200.0
Other borrowings	1.0	0.1
Total borrowings	1,480.5	1,477.8
Less current portion	0.5	—
Less deferred debt issuance costs	7.4	7.9
Less unaccreted debt discount	1.1	1.2
Long-term borrowings	$ 1,471.5	$ 1,468.7

[1] At June 30, 2023, there was $79.5 million outstanding under the Revolving Credit Facility with an interest rate of 4.32% and $7.4 million of outstanding letters of credit, resulting in a net available borrowing capacity under the Revolving Credit Facility of approximately $713.1 million.

[2] The $200.0 million outstanding under the Term Facility bears an interest rate of 6.30%.

At June 30, 2023, the Company was in compliance with covenants contained in the credit agreement associated with the Revolving Credit Facility as well as other long-term debt agreements.

Issuance of 5.13% Senior Notes in 2023

On June 13, 2023, the Company completed a private placement of $100 million aggregate principal amount of 5.13% Senior Notes due June 13, 2028 (the “5.13% Senior Notes”) pursuant to a Note Purchase and Master Note Agreement, dated as of June 13, 2023 (the “Purchase Agreement”), among the Company, NYL Investors LLC (“New York Life”) and certain affiliates of New York Life identified as Purchasers of the 5.13% Senior Notes therein. The 5.13% Senior Notes are unsecured obligations of the Company and rank pari passu in right of payment with all of the Company’s other unsecured, unsubordinated debt. The Company used the proceeds from the 5.13% Senior Notes issuance to repay the 3.20% Senior Notes due June 13, 2023.

The Company may at any time prepay all, or any portion of the 5.13% Senior Notes, provided that such portion is not less than 5% of the aggregate principal amount of all notes then outstanding under the Purchase Agreement. In the event of a prepayment, the Company will pay an amount equal to par plus accrued interest plus a make-whole amount. The Company also has the ability to make certain other offers to repurchase any notes outstanding under the Purchase Agreement.

The Purchase Agreement contains certain covenants that restrict the Company’s and its subsidiaries’ ability to, among other things, transfer or sell assets, create liens, incur indebtedness, transact with affiliates and engage in certain mergers or consolidations. In addition, the Company must comply with a leverage ratio, interest coverage ratio and priority debt ratio as set forth in the Purchase Agreement. The Purchase Agreement provides for customary events of default. In the case of an event of default arising from specified events of bankruptcy or insolvency, all notes then outstanding under the Purchase Agreement will become due and payable immediately without further action or notice. In the case of payment events of default, any holder of such notes affected thereby may declare all of the notes outstanding under the Purchase Agreement held by it due and payable immediately. In the case of any other event of default, a majority of the holders of the notes then outstanding under the

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Purchase Agreement may declare all of such notes to be due and payable immediately, in each case subject to certain cure and notice provisions.

10. Fair Value Measurements

ASC 820, *Fair Value Measurements and Disclosures,* defines fair value, provides guidance for measuring fair value and requires certain disclosures. This standard discusses valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow) and the cost approach (cost to replace the service capacity of an asset or replacement cost). The standard utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

- Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs, other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.
- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions.

The following table summarizes the basis used to measure the Company's financial assets (liabilities) at fair value on a recurring basis in the balance sheets at June 30, 2023 and December 31, 2022:

		Basis of Fair Value Measurements		
	Balance at June 30, 2023	Level 1	Level 2	Level 3
Trading securities - mutual funds held in nonqualified SERP[1]	$ 9.4	$ 9.4	$ —	$ —
Available-for-sale securities - equities[2]	19.1	19.1	—	—

		Basis of Fair Value Measurements		
	Balance at December 31, 2022	Level 1	Level 2	Level 3
Trading securities - mutual funds held in nonqualified SERP[1]	$ 7.5	$ 7.5	$ —	$ —

[1] The Supplemental Executive Retirement Plan ("SERP") investment assets are offset by a SERP liability which represents the Company's obligation to distribute SERP funds to participants.

[2] At June 30, 2023, the securities are included in Other current assets on the Company's Condensed Consolidated Balance Sheets and are available for overnight cash settlement, if necessary, to fund current operations.

There were no transfers of assets or liabilities between Level 1 and Level 2 during the three and six months ended June 30, 2023 or the year ended December 31, 2022.

The carrying values of the Company's cash and cash equivalents, accounts receivable, marketable securities, accounts payable and accrued expenses approximate fair value because of the short-term nature of these instruments. At June 30, 2023 and December 31, 2022, the fair value of the outstanding indebtedness described in Note 9 based on quoted market prices and current market rates for debt with similar credit risk and maturity was approximately $1,333.3 million and $1,328.7 million, respectively, compared to the carrying value of $1,479.4 million and $1,476.6 million, respectively. These fair value measurements are classified as Level 2 within the fair value hierarchy since they are determined based upon significant inputs observable in the market, including interest rates on recent financing transactions to entities with a credit rating similar to the Company's rating.

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11. Leases

The Company leases certain office facilities, warehouses, manufacturing plants, equipment (which includes both office and plant equipment) and vehicles under operating leases and certain plant equipment under financing leases. Leases with an initial term of 12 months or less are not recorded on the balance sheet; the Company recognizes lease expense for these leases on a straight-line basis over the lease term.

Certain leases include one or more options to renew. The exercise of lease renewal options is at the Company's sole discretion. The Company does not include renewal periods in any of the leases' terms until the renewal is executed as they are generally not reasonably certain of being exercised. The Company does not have any material purchase options.

Certain of the Company's lease agreements have rental payments that are adjusted periodically for inflation or that are based on usage. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Supplemental balance sheet information related to leases as of June 30, 2023 and December 31, 2022 was as follows:

	Balance Sheet Caption	June 30, 2023	December 31, 2022
Right-of-Use ("ROU") Assets:			
Building ROU assets - net - operating	Other noncurrent assets	$ 111.5	$ 104.4
Equipment ROU assets - net - operating	Other noncurrent assets	5.0	5.6
Equipment ROU assets - net - financing	Property, plant and equipment	2.0	6.1
Total ROU assets - net		$ 118.5	$ 116.1
Lease Liabilities:			
Current lease liabilities	Accrued expenses	$ 21.6	$ 21.6
Noncurrent lease liabilities	Other noncurrent liabilities	101.6	96.6
Total lease liabilities		$ 123.2	$ 118.2

The components of lease cost for the three and six months ended June 30, 2023 and 2022 were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Fixed lease cost [(1)]	$ 7.5	$ 9.0	$ 15.7	$ 16.4
Variable lease cost	0.6	0.8	1.3	1.2
Total lease cost	$ 8.1	$ 9.8	$ 17.0	$ 17.6

[(1)] Includes short-term leases, which are immaterial.

Supplemental cash flow information related to leases for the six months ended June 30, 2023 and 2022 was as follows:

	Six Months Ended June 30,	
	2023	2022
Cash paid for amounts included in the measurement of lease liabilities	$ 15.7	$ 16.9
Right-of-use assets obtained in exchange for new lease liabilities	17.1	9.3

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Other supplemental information related to leases as of June 30, 2023 and December 31, 2022 was as follows:

Lease Term and Discount Rate	June 30, 2023	December 31, 2022
Weighted-average remaining lease term (years):		
Operating leases - building and equipment	7.28	7.43
Operating leases - vehicles	2.13	2.14
Financing leases - equipment	4.10	2.05
Weighted-average discount rate:		
Operating leases - building and equipment	3.66 %	3.41 %
Operating leases - vehicles	2.46 %	1.70 %
Financing leases - equipment	4.96 %	4.48 %

The Company uses its incremental borrowing rate to determine the present value of the lease payments.

Total lease liabilities at June 30, 2023 have scheduled maturities as follows:

Maturity of Lease Liabilities	
2023 (excluding the six months ended June 30, 2023)	$ 12.8
2024	19.6
2025	22.3
2026	19.4
2027	15.7
Thereafter	52.1
Total lease payments	141.9
Less: Imputed interest	(18.7)
Present value of lease liabilities	$ 123.2

12. Restructuring Expenses and Asset Impairments

From time to time, the Company incurs expenses to facilitate long-term sustainable growth through cost reduction actions, consisting of employee reductions, facility rationalization and contract termination costs. These costs include severance costs, exit costs and asset impairments and are included in Restructuring expenses and asset impairments in the Condensed Consolidated Statements of Income. Severance costs primarily consist of severance benefits through payroll continuation, COBRA subsidies, outplacement services, conditional separation costs and employer tax liabilities, while exit costs primarily consist of lease exit and contract termination costs.

2023 Initiative

During the three and six months ended June 30, 2023, the Company incurred severance costs related to employee reductions as well as asset impairment charges.

Pre-tax restructuring expenses and asset impairments by segment for the three and six months ended June 30, 2023 were as follows:

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	Three Months Ended June 30, 2023			
	Severance Costs	Exit Costs	Asset Impairments	Total
Fluid & Metering Technologies	$ 0.1	$ —	$ 0.5	$ 0.6
Health & Science Technologies	2.7	—	—	2.7
Fire & Safety/Diversified Products	0.3	—	—	0.3
Corporate/Other	—	—	—	—
Restructuring expenses and asset impairments	$ 3.1	$ —	$ 0.5	$ 3.6

	Six Months Ended June 30, 2023			
	Severance Costs	Exit Costs	Asset Impairments	Total
Fluid & Metering Technologies	$ 0.2	$ —	$ 0.5	$ 0.7
Health & Science Technologies	3.0	—	—	3.0
Fire & Safety/Diversified Products	0.4	—	—	0.4
Corporate/Other	—	—	—	—
Restructuring expenses and asset impairments	$ 3.6	$ —	$ 0.5	$ 4.1

2022 Initiative

During the three and six months ended June 30, 2022, the Company primarily incurred severance costs related to employee reductions.

Pre-tax restructuring expenses and asset impairments by segment for the three and six months ended June 30, 2022 were as follows:

	Three Months Ended June 30, 2022			
	Severance Costs	Exit Costs	Asset Impairments	Total
Fluid & Metering Technologies	$ 1.2	$ 0.3	$ 0.2	$ 1.7
Health & Science Technologies	0.1	—	—	0.1
Fire & Safety/Diversified Products	1.0	—	—	1.0
Corporate/Other	—	—	—	—
Restructuring expenses and asset impairments	$ 2.3	$ 0.3	$ 0.2	$ 2.8

	Six Months Ended June 30, 2022			
	Severance Costs	Exit Costs	Asset Impairments	Total
Fluid & Metering Technologies	$ 1.5	$ 0.3	$ 0.2	$ 2.0
Health & Science Technologies	0.2	—	—	0.2
Fire & Safety/Diversified Products	1.0	—	—	1.0
Corporate/Other	0.2	—	—	0.2
Restructuring expenses and asset impairments	$ 2.9	$ 0.3	$ 0.2	$ 3.4

Restructuring accruals reflected in Accrued expenses in the Company’s Condensed Consolidated Balance Sheets are as follows:

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	Restructuring Initiatives
Balance at January 1, 2023	$ 1.4
Restructuring expenses	3.6
Payments, utilization and other	(3.2)
Balance at June 30, 2023	$ 1.8

13. Other Comprehensive Income (Loss)

The components of Other comprehensive income (loss) are as follows:

	Three Months Ended June 30, 2023			Three Months Ended June 30, 2022		
	Pre-tax	Tax	Net of tax	Pre-tax	Tax	Net of tax
Cumulative translation adjustment	$ 2.3	$ —	$ 2.3	$ (81.9)	$ —	$ (81.9)
Pension and other postretirement adjustments	(1.3)	0.4	(0.9)	1.1	(0.5)	0.6
Total other comprehensive income (loss)	$ 1.0	$ 0.4	$ 1.4	$ (80.8)	$ (0.5)	$ (81.3)

	Six Months Ended June 30, 2023			Six Months Ended June 30, 2022		
	Pre-tax	Tax	Net of tax	Pre-tax	Tax	Net of tax
Cumulative translation adjustment	$ 38.9	$ —	$ 38.9	$ (101.4)	$ —	$ (101.4)
Pension and other postretirement adjustments	(0.7)	0.2	(0.5)	1.9	(0.7)	1.2
Total other comprehensive income (loss)	$ 38.2	$ 0.2	$ 38.4	$ (99.5)	$ (0.7)	$ (100.2)

The amounts reclassified from Accumulated other comprehensive loss to Net income during the three and six months ended June 30, 2023 and 2022 are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,		
	2023	2022	2023	2022	Income Statement Caption
Pension and other postretirement plans:					
Amortization of actuarial (gains) losses and prior service costs	$ (1.3)	$ 1.1	$ (0.7)	$ 1.9	Other expense (income) - net
Total before tax	(1.3)	1.1	(0.7)	1.9	
Provision for income taxes	0.4	(0.5)	0.2	(0.7)	
Total net of tax	$ (0.9)	$ 0.6	$ (0.5)	$ 1.2	

14. Share Repurchases

On March 17, 2020, the Company's Board of Directors approved an increase of $500.0 million in the authorized level of repurchases of common stock. This approval is in addition to the prior repurchase authorization of the Board of Directors of $300.0 million on December 1, 2015. These authorizations have no expiration date. Repurchases under the program will be funded with future cash flow generation or borrowings available under the Revolving Credit Facility. During the six months ended June 30, 2023, the Company repurchased a total of 5,400 shares at a cost of $1.1 million, of which $0.1 million was settled in July 2023. During the six months ended June 30, 2022, the Company repurchased a total of 622,190 shares at a cost of $115.8 million, of which $5.4 million was settled in July 2022. As of June 30, 2023, the amount of share repurchase authorization remaining was $562.8 million.

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15. Share-Based Compensation

The Company typically grants equity awards annually at its regularly scheduled first quarter meeting of the Board of Directors based on the recommendation from the Compensation Committee.

The Company's policy is to recognize compensation cost on a straight-line basis, assuming forfeitures, over the requisite service period for the entire award. Classification of stock compensation cost within the Condensed Consolidated Statements of Income is consistent with the classification of cash compensation for the same employees.

Stock Options

Stock options granted under the Company's plans are generally non-qualified and are granted with an exercise price equal to the market price of the Company's stock on the date of grant. The fair value of each option grant was estimated on the date of the grant using the Black Scholes valuation model. Stock options generally vest ratably over four years, with vesting beginning one year from the date of grant, and generally expire 10 years from the date of grant. The service period for certain retiree eligible participants is accelerated. Weighted average stock option fair values and assumptions for the periods presented are disclosed below.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Weighted average fair value of grants	$57.13	$46.33	$60.70	$41.74
Dividend yield	1.13%	1.14%	1.07%	1.14%
Volatility	27.20%	25.39%	27.19%	25.15%
Risk-free interest rate	3.81%	2.98%	4.12%	1.85%
Expected life (in years)	4.50	4.90	4.50	4.90

Total compensation cost for stock options is recorded in the Condensed Consolidated Statements of Income as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Cost of goods sold	$ 0.1	$ —	$ 0.4	$ 0.3
Selling, general and administrative expenses[(1)]	1.4	2.8	7.1	5.9
Total expense before income taxes	1.5	2.8	7.5	6.2
Income tax benefit	(0.2)	(0.2)	(0.6)	(0.5)
Total expense after income taxes	$ 1.3	$ 2.6	$ 6.9	$ 5.7

[(1)] The three months ended June 30, 2023 include $1.5 million of lower expense compared with the same period in 2022 while the six months ended June 30, 2023 include $1.1 million of higher expense compared with the same period in 2022 as it relates to the timing of accelerated stock compensation costs for retiree eligible participants.

A summary of the Company's stock option activity as of June 30, 2023 and changes during the six months ended June 30, 2023 are presented in the following table:

Stock Options	Shares	Weighted Average Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
		(Dollars in millions except weighted average price)		
Outstanding at January 1, 2023	1,015,572	$ 161.45	6.94	$ 67.9
Granted	213,865	225.52		
Exercised	(59,643)	134.89		
Forfeited	(22,370)	198.67		
Outstanding at June 30, 2023	1,147,424	$ 174.05	7.09	$ 49.5
Vested and expected to vest as of June 30, 2023	1,103,113	$ 172.66	7.01	$ 49.0
Exercisable at June 30, 2023	617,095	$ 148.13	5.69	$ 41.5

As of June 30, 2023, there was $12.3 million of total unrecognized compensation cost related to stock options that is expected to be recognized over a weighted-average period of 1.5 years.

Restricted Stock

Restricted stock awards generally cliff vest after three years for employees and non-employee directors. The service period for certain retiree eligible participants is accelerated. Unvested restricted stock carries dividend and voting rights and the sale of the shares is restricted prior to the date of vesting. Dividends are paid on restricted stock awards and their fair value is equal to the market price of the Company's stock at the date of the grant. A summary of the Company's restricted stock activity as of June 30, 2023 and changes during the six months ended June 30, 2023 are presented in the following table:

Restricted Stock	Shares	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2023	104,382	$ 179.45
Granted	35,845	219.69
Vested	(20,802)	170.41
Forfeited	(9,150)	202.31
Unvested at June 30, 2023	110,275	$ 192.34

Total compensation cost for restricted stock is recorded in the Condensed Consolidated Statements of Income as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Cost of goods sold	$ 0.1	$ —	$ 0.3	$ 0.2
Selling, general and administrative expenses	1.6	1.6	3.0	3.2
Total expense before income taxes	1.7	1.6	3.3	3.4
Income tax benefit	(0.4)	(0.2)	(0.7)	(0.6)
Total expense after income taxes	$ 1.3	$ 1.4	$ 2.6	$ 2.8

As of June 30, 2023, there was $7.9 million of total unrecognized compensation cost related to restricted stock that is expected to be recognized over a weighted-average period of 1.1 years.

(Dollars in millions, except per share amounts)

Cash-Settled Restricted Stock

The Company also maintains a cash-settled share-based compensation plan for certain employees. Cash-settled restricted stock awards generally cliff vest after three years. The service period for certain retiree eligible participants is accelerated. Cash-settled restricted stock awards are recorded at fair value on a quarterly basis using the market price of the Company's stock on the last day of the quarter. Dividend equivalents are paid on certain cash-settled restricted stock awards. A summary of the Company's unvested cash-settled restricted stock activity as of June 30, 2023 and changes during the six months ended June 30, 2023 are presented in the following table:

Cash-Settled Restricted Stock	Shares	Weighted-Average Fair Value
Unvested at January 1, 2023	57,356	$ 228.33
Granted	19,970	225.53
Vested	(15,481)	229.12
Forfeited	(1,985)	215.26
Unvested at June 30, 2023	59,860	$ 215.26

Total compensation cost for cash-settled restricted stock is recorded in the Condensed Consolidated Statements of Income as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Cost of goods sold	$ 0.1	$ 0.1	$ 0.2	$ —
Selling, general and administrative expenses	0.5	(0.5)	1.5	—
Total expense before income taxes	0.6	(0.4)	1.7	—
Income tax benefit	(0.1)	—	(0.1)	—
Total expense after income taxes	$ 0.5	$ (0.4)	$ 1.6	$ —

As of June 30, 2023, there was $5.7 million of total unrecognized compensation cost related to cash-settled restricted shares that is expected to be recognized over a weighted-average period of 1.2 years.

Performance Share Units

Weighted average performance share unit fair values and assumptions for the periods specified are disclosed below. The performance share units are market condition awards and have been assessed at fair value on the date of grant using a Monte Carlo simulation model.

	Six Months Ended June 30,	
	2023	2022
Weighted average fair value of grants	$308.18	$235.54
Dividend yield	—%	—%
Volatility	27.00%	28.09%
Risk-free interest rate	4.37%	1.73%
Expected life (in years)	2.94	2.93

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A summary of the Company’s performance share unit activity as of June 30, 2023 and changes during the six months ended June 30, 2023 are presented in the following table:

Performance Share Units	Shares	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2023	70,915	$ 236.66
Granted	28,030	308.18
Vested	(18,105)	226.86
Forfeited	(1,725)	261.13
Unvested at June 30, 2023	79,115	$ 264.89

On January 31, 2023, 18,105 performance share units vested. Based on the Company’s relative total shareholder return rank during the three year period ended January 31, 2023, the Company achieved a 173% payout factor and issued 31,334 common shares in February 2023 for awards that vested in 2023.

Total compensation cost for performance share units is recorded in the Condensed Consolidated Statements of Income as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Cost of goods sold	$ —	$ —	$ —	$ —
Selling, general and administrative expenses[(1)]	0.8	2.5	6.0	3.8
Total expense before income taxes	0.8	2.5	6.0	3.8
Income tax benefit	(0.1)	—	(0.2)	(0.1)
Total expense after income taxes	$ 0.7	$ 2.5	$ 5.8	$ 3.7

[(1)] The three months ended June 30, 2023 include $1.8 million of lower expense compared with the same period in 2022 while the six months ended June 30, 2023 include $1.6 million of higher expense compared with the same period in 2022 as it relates to the timing of accelerated stock compensation costs for retiree eligible participants.

As of June 30, 2023, there was $4.9 million of total unrecognized compensation cost related to performance share units that is expected to be recognized over a weighted-average period of 1.1 years.

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16. Retirement Benefits

The Company sponsors several qualified and nonqualified defined benefit and defined contribution pension plans as well as other post-retirement plans for its employees. The following tables provide the components of net periodic benefit cost for its major defined benefit plans and its other postretirement plans.

	Pension Benefits			
	Three Months Ended June 30,			
	2023		2022	
	U.S.	Non-U.S.	U.S.	Non-U.S.
Service cost	$ —	$ 0.3	$ 0.1	$ 0.4
Interest cost	0.1	0.7	—	0.3
Expected return on plan assets	—	(0.4)	—	(0.3)
Net amortization	—	(0.1)	—	0.2
Net periodic cost	$ 0.1	$ 0.5	$ 0.1	$ 0.6

	Pension Benefits			
	Six Months Ended June 30,			
	2023		2022	
	U.S.	Non-U.S.	U.S.	Non-U.S.
Service cost	$ —	$ 0.6	$ 0.1	$ 0.9
Interest cost	0.2	1.4	0.1	0.5
Expected return on plan assets	(0.1)	(0.8)	(0.1)	(0.6)
Net amortization	0.1	(0.3)	0.1	0.4
Net periodic cost	$ 0.2	$ 0.9	$ 0.2	$ 1.2

	Other Postretirement Benefits			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Service cost	$ 0.1	$ 0.1	$ 0.2	$ 0.3
Interest cost	0.2	0.2	0.4	0.3
Net amortization	(0.3)	(0.1)	(0.5)	(0.2)
Net periodic cost	$ —	$ 0.2	$ 0.1	$ 0.4

The Company expects to contribute approximately $3.9 million to its defined benefit plans and $1.1 million to its other post-retirement benefit plans in 2023. During the first six months of 2023, the Company contributed a total of $2.6 million to fund these plans.

17. Legal Proceedings

The Company and certain of its subsidiaries are involved in pending and threatened legal, regulatory and other proceedings arising in the ordinary course of business. These proceedings may pertain to matters such as product liability or contract disputes, and may also involve governmental inquiries, inspections, audits or investigations relating to issues such as tax matters, intellectual property, environmental, health and safety issues, governmental regulations, employment and other matters. Although the results of such legal proceedings cannot be predicted with certainty, the Company believes that the ultimate disposition of these matters will not have a material adverse effect, individually or in the aggregate, on the Company’s business, financial condition, results of operations or cash flows.

18. Income Taxes

The Company’s provision for income taxes is based upon estimated annual tax rates for the year applied to federal, state and foreign income. The provision for income taxes increased to $40.0 million for the three months ended June 30, 2023 from $39.0 million during the same period in 2022. The effective tax rate of 22.4% for the three months ended June 30, 2023 was relatively consistent with 22.1% during the same period in 2022.

The provision for income taxes increased to $80.0 million for the six months ended June 30, 2023 from $79.5 million during the same period in 2022. The effective tax rate of 22.3% for the six months ended June 30, 2023 was relatively consistent with 22.2% during the same period in 2022.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the Company's Condensed Consolidated Financial Statements and related notes in this quarterly report. This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties. The Company's actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of several factors, including those set forth under Item 1A, "Risk Factors" in the Company's most recent annual report on Form 10-K and under the heading "Cautionary Statement Under the Private Securities Litigation Reform Act" discussed elsewhere in this quarterly report.

This discussion also includes certain non-GAAP financial measures that have been defined and reconciled to their most directly comparable measures that are in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") later in this Item under the headings "Non-GAAP Disclosures" and "Free Cash Flow." This discussion also includes Operating working capital, which has been defined later in this Item under the heading "Liquidity and Capital Resources." The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, financial measures prepared in accordance with U.S. GAAP. The financial results prepared in accordance with U.S. GAAP and the reconciliations from these results should be carefully evaluated.

Overview

IDEX is an applied solutions company specializing in the manufacture of fluid and metering technologies, health and science technologies and fire, safety and other diversified products built to customers' specifications. IDEX's products are sold in niche markets across a wide range of industries throughout the world. Accordingly, IDEX's businesses are affected by levels of industrial activity and economic conditions in the U.S. and in other countries where it does business and by the relationship of the U.S. dollar to other currencies. Levels of capacity utilization and capital spending in certain industries and overall industrial activity are important factors that influence the demand for IDEX's products.

Select key financial results for the three months ended June 30, 2023 when compared to the same period in the prior year are as follows:

	Three Months Ended June 30,		
(Dollars in millions, except per share amounts)	**2023**	**2022**	**% / bps Change**
Net sales	**$ 846.2**	$ 796.1	6%
*Organic net sales growth**			*3%*
Net income attributable to IDEX	**138.6**	138.2	—
*Adjusted net income attributable to IDEX**	***165.4***	*153.6*	*8%*
*Adjusted EBITDA**	***240.7***	*219.2*	*10%*
Diluted EPS attributable to IDEX	**1.82**	1.81	1%
*Adjusted diluted EPS attributable to IDEX**	***2.18***	*2.02*	*8%*
Cash flows from operating activities	**141.2**	112.3	26%
*Free cash flow**	***119.6***	*96.7*	*24%*
Net income margin	**16.4%**	17.3%	(90) bps
*Adjusted EBITDA margin**	***28.4%***	*27.5%*	*90 bps*

*These are non-GAAP measures. See the definitions of these non-GAAP measures and reconciliations to their most directly comparable GAAP financial measures later in this Item under the headings "Non-GAAP Disclosures" and "Free Cash Flow".

During the three months ended June 30, 2023, the Company achieved record sales of $846.2 million, up 6% overall and 3% organically, led by strong performance by its FMT and FSDP segments compared with the same period in 2022. The HST segment revenues and profitability was challenged due to customers' inventory recalibration within the Analytical Instrumentation, Life Science and Biopharma markets. The Company also achieved diluted earnings per share of $1.82, up 1%, and record adjusted earnings per share of $2.18, up 8%. The Company drove strong operating cash flow of $141.2 million, up 26% versus the comparable prior year period, and free cash flow of $119.6 million, up 24%, primarily due to lower investments in working capital. Lastly, the Company also completed the acquisition of Iridian, which will be reported as part of the Scientific Fluidic and Optics reporting unit in the HST segment.

In the second half of 2023, the Company currently expects revenues and earnings will be lower as compared to the first half of 2023 driven by market-based declines within both its FMT and HST segments.

Results of Operations

The following is a discussion and analysis of the Company's results of operations for the three and six months ended June 30, 2023 compared with the three and six months ended June 30, 2022.

	Three Months Ended June 30,			Six Months Ended June 30,		
(Dollars in millions, except per share amounts)	**2023**	**2022**	**% / bps Change**	**2023**	**2022**	**% / bps Change**
Net sales	**$ 846.2**	$ 796.1	6 %	**$ 1,691.6**	$ 1,547.2	9 %
Cost of sales	**468.2**	439.2	7 %	**931.1**	847.8	10 %
Gross profit	**378.0**	356.9	6 %	**760.5**	699.4	9 %
Gross margin	***44.7 %***	*44.8 %*	*(10) bps*	***45.0 %***	*45.2 %*	*(20) bps*
Selling, general and administrative expenses	**174.3**	167.5	4 %	**364.0**	321.8	13 %
Restructuring expenses and asset impairments	**3.6**	2.8	29 %	**4.1**	3.4	21 %
Operating income	**200.1**	186.6	7 %	**392.4**	374.2	5 %
Other expense (income) - net	**8.3**	—	100 %	**7.7**	(2.3)	(435 %)
Interest expense	**13.3**	9.5	40 %	**26.4**	19.0	39 %
Income before income taxes	**178.5**	177.1	1 %	**358.3**	357.5	—
Provision for income taxes	**40.0**	39.0	3 %	**80.0**	79.5	1 %
Effective tax rate	***22.4 %***	*22.1 %*	*30 bps*	***22.3 %***	*22.2 %*	*10 bps*
Net income attributable to IDEX	**$ 138.6**	$ 138.2	—	**$ 278.4**	$ 278.2	—
Diluted earnings per common share attributable to IDEX	**$ 1.82**	$ 1.81	1 %	**$ 3.66**	$ 3.65	—

Net Sales

Net sales for the three and six months ended June 30, 2023 increased 6% and 9%, respectively, as compared to the same prior year periods. Organic sales for the same periods increased 3% and 4%, respectively, as a result of price capture across each of our segments, partially offset by the impact of current market conditions on volumes in our Health & Science Technologies businesses. Acquisition-related growth, net of divestitures, was 4% and 6% during the three and six months ended June 30, 2023, respectively, driven by the acquisitions of Iridian in May 2023, Muon Group in November 2022, KZValve in May 2022 and Nexsight in February 2022, net of the divestiture of Knight LLC and its related affiliates ("Knight") in September 2022. Organic and acquisition-related sales growth were slightly offset by the unfavorable impact of foreign currency translation during both the three and six months ended June 30, 2023.

In the three months ended June 30, 2023, net sales increased 3% domestically and 10% internationally, and sales to customers outside the U.S. were approximately 50% of total sales in the second quarter of 2023 compared with 48% during the same period in 2022. In the six months ended June 30, 2023, net sales increased 6% domestically and 13% internationally, and sales to customers outside the U.S. were approximately 50% of total sales in the first half of 2023 compared with 49% during the same period in 2022.

Cost of Sales

Cost of sales for both the three and six months ended June 30, 2023 increased due to acquisitions, net of divestitures, inflation and higher employee-related costs, partially offset by lower sales volume.

Gross Profit and Gross Margin

Gross profit and Gross margin for both the three and six months ended June 30, 2023 were positively impacted by strong price/cost and favorable operational productivity, partially offset by lower volume leverage, higher employee-related costs and unfavorable mix. While acquisitions, net of divestitures, also positively impacted Gross profit, they resulted in a dilutive impact to overall Gross margin.

Selling, General and Administrative Expenses

Selling, general and administrative expenses in the three months ended June 30, 2023 increased primarily due to the $11.3 million impact from acquisitions, including amortization, net of divestitures. Excluding this impact, selling, general and administrative expenses decreased by $4.5 million, reflecting $3.3 million of lower stock compensation costs due to timing of retirement eligibility of participants, lower variable compensation costs and lower discretionary spending, partially offset by higher employee-related costs as compared with the same period in 2022.

Selling, general and administrative expenses in the six months ended June 30, 2023, increased primarily due to the $28.8 million impact from acquisitions, including amortization, net of divestitures, as well as increases in employee-related costs, which includes an additional $2.7 million of accelerated stock compensation costs for retiree eligible participants, and higher discretionary spending, partially offset by lower variable compensation costs compared with the same period in 2022.

Restructuring Expenses and Asset Impairments

Restructuring expenses and asset impairments increased in both the three and six months ended June 30, 2023 primarily due higher severance costs, which were incurred in conjunction with cost mitigation efforts as a result of the current market environment previously discussed in this section, compared with the same periods in 2022. See Note 12 in the Notes to Condensed Consolidated Financial Statements for further detail.

Other Expense (Income) - Net

Other expense (income) - net increased in both the three and six months ended June 30, 2023 compared with the same periods in 2022. The increase in expense was primarily due to a $7.7 million credit loss reserve on a note receivable from a collaborative partner (See Note 3 in the Notes to Condensed Consolidated Financial Statements for further detail). Additionally, the six months ended June 30, 2022 included $2.7 million of gains on the sale of assets that did not reoccur in 2023.

Interest Expense

Interest expense for the three and six months ended June 30, 2023 increased compared to the same period in 2022 due to the borrowings incurred under the Revolving Credit Facility and the Term Facility in connection with the Muon Group acquisition in November 2022.

Income Taxes

The effective tax rates of 22.4% and 22.3% for the three and six months ended June 30, 2023, respectively, were relatively consistent with the effective tax rates of 22.1% and 22.2% during the same periods in 2022.

Results of Reportable Business Segments

The Company has three reportable segments: Fluid & Metering Technologies ("FMT"), Health & Science Technologies ("HST") and Fire & Safety/Diversified Products ("FSDP"). For a detailed description of the operations within each segment, refer to Note 4 in the Notes to Condensed Consolidated Financial Statements.

Within its three reportable segments, the Company maintains 13 reporting units where the Company focuses on organic growth and strategic acquisitions. Management's primary measurements of segment performance are sales, adjusted earnings before interest, income taxes, depreciation and amortization ("Adjusted EBITDA") and Adjusted EBITDA margin.

FMT	HST	FSDP
Pumps	Scientific Fluidics & Optics	Fire & Safety
Water	Sealing Solutions	Dispensing
Energy	Performance Pneumatic Technologies	BAND-IT
Valves	Material Processing Technologies	
Agriculture	Micropump	

The table below illustrates the percentages of the share of Net sales and Adjusted EBITDA contributed by each segment on the basis of total segments (not total Company) for the three and six months ended June 30, 2023.

	Three Months Ended June 30, 2023				Six Months Ended June 30, 2023			
	FMT	HST	FSDP	IDEX	FMT	HST	FSDP	IDEX
Net sales	38 %	40 %	22 %	100 %	38 %	41 %	21 %	100 %
Adjusted EBITDA[1]	43 %	36 %	21 %	100 %	43 %	37 %	20 %	100 %

[1] Segment Adjusted EBITDA excludes the impact of unallocated corporate costs of $21.6 million and $48.4 million for the three and six months ended June 30, 2023, respectively.

Fluid & Metering Technologies Segment

	Three Months Ended June 30,			Components of Change			
(Dollars in millions)	2023	2022	Change	Organic	Acq/Div[1]	Foreign Currency	Total
Net sales	$ 325.1	$ 299.9	8%	10%	(1%)	(1%)	8%
Adjusted EBITDA	114.1	95.0	20%	20%	—	—	20%
Adjusted EBITDA margin	35.1 %	31.7 %	340 bps	310 bps	30 bps	—	340 bps

	Six Months Ended June 30,			Components of Change			
(Dollars in millions)	2023	2022	Change	Organic	Acq/Div[1][2]	Foreign Currency	Total
Net sales	$ 646.9	$ 571.9	13%	10%	4%	(1%)	13%
Adjusted EBITDA	220.3	183.4	20%	17%	4%	(1%)	20%
Adjusted EBITDA margin	34.1 %	32.1 %	200 bps	240 bps	(30) bps	(10) bps	200 bps

[1] Acquisitions included KZValve in May 2022. Divestitures included Knight in September 2022.
[2] Based on the timing of its acquisition, Nexsight results for the first three months of 2023 are reflected in the acquisitions/divestitures column while the remaining year-over-year impact is included in the organic column.

- Net sales in the second quarter of 2023 increased 6% domestically and 11% internationally. Net sales to customers outside the U.S. were approximately 44% of total segment sales in the second quarter of 2023 compared with 43% during the same period in 2022.
- Net sales in the first six months of 2023 increased 12% domestically and 15% internationally. Net sales to customers outside the U.S. were approximately 45% of total segment sales in the first six months of 2023 compared with 44% during the same period in 2022.
- The change in organic net sales for both the three and six months ended June 30, 2023 was attributed to increases in the following:
    - Energy reporting unit driven by operational execution related to improved supply chain conditions and price capture;
    - Water reporting unit driven by price capture, favorability in the municipal water market and operational execution;
    - Pumps reporting unit driven by strong price capture and operational execution, partially offset by softness in the industrial market; and
    - Valves reporting unit driven by strong price capture and demand in Asia.

  These increases were partially offset by a decrease in the Agriculture reporting unit driven by distribution inventory recalibration, partially offset by positive OEM demand.
- Adjusted EBITDA margin of 35.1% for the second quarter of 2023 increased 340 basis points compared with 31.7% during the same period in 2022. The change in Adjusted EBITDA margin was attributed to the following:
    - Organic Adjusted EBITDA margin increased 310 basis points due to strong price/cost, higher volume leverage, lower discretionary spending and favorable operational productivity, partially offset by higher employee-related costs and unfavorable mix; and

- ◦ Acquisitions/divestitures positively impacted Adjusted EBITDA margin by 30 basis points due to the accretive impact of acquisitions, net of divestitures, on overall FMT Adjusted EBITDA margin.

- Adjusted EBITDA margin of 34.1% for the first six months of 2023 increased 200 basis points compared with 32.1% during the same period in 2022. The change in Adjusted EBITDA margin was attributed to the following:
  - ◦ Organic Adjusted EBITDA margin increased 240 basis points due to strong price/cost, operational productivity and volume leverage, partially offset by higher employee-related costs and unfavorable mix;
  - ◦ Acquisitions/divestitures negatively impacted Adjusted EBITDA margin by 30 basis points due to the dilutive impact of acquisitions, net of divestitures, on overall FMT Adjusted EBITDA margin; and
  - ◦ Foreign currency negatively impacted Adjusted EBITDA margin by 10 basis points.

Health & Science Technologies Segment

	Three Months Ended June 30,			Components of Change			
(Dollars in millions)	**2023**	**2022**	**Change**	**Organic**	**Acq/Div[1]**	**Foreign Currency**	**Total**
Net sales	$ 339.5	$ 326.0	4%	(6%)	10%	—	4%
Adjusted EBITDA	93.7	103.6	(10%)	(19%)	9%	—	(10%)
Adjusted EBITDA margin	27.6 %	31.8 %	(420) bps	(420) bps	(10) bps	10 bps	(420) bps

	Six Months Ended June 30,			Components of Change			
(Dollars in millions)	**2023**	**2022**	**Change**	**Organic**	**Acq/Div[1]**	**Foreign Currency**	**Total**
Net sales	$ 690.5	$ 641.2	8%	(2%)	11%	(1%)	8%
Adjusted EBITDA	194.4	203.4	(4%)	(13%)	10%	(1%)	(4%)
Adjusted EBITDA margin	28.2 %	31.7 %	(350) bps	(370) bps	—	20 bps	(350) bps

[1] Acquisitions included Iridian in May 2023 and Muon Group in November 2022.

- Net sales in the second quarter of 2023 decreased 6% domestically and increased 13% internationally. Net sales to customers outside the U.S. were approximately 56% of total segment sales in the second quarter of 2023 compared with 52% during the same period in 2022.
- Net sales in the first six months of 2023 decreased 4% domestically and increased 18% internationally. Net sales to customers outside the U.S. were approximately 57% of total segment sales in the first six months of 2023 compared with 52% during the same period in 2022.
- The change in organic net sales for both the three and six months ended June 30, 2023 was attributed to decreases in the following:
  - ◦ Scientific Fluidics & Optics reporting unit driven by lower demand from Analytical Instrumentation and Life Science original equipment manufacturers due to customer inventory recalibration, partially offset by price capture;
  - ◦ Sealing Solutions reporting unit driven by softness in the semiconductor market; and
  - ◦ Material Processing Technologies reporting unit driven by lower demand in the pharma/biopharma and food/nutrition markets, partially offset by operational execution and price capture.

  These decreases were partially offset by an increase in the Performance Pneumatics Technologies reporting unit driven by strong targeted growth performance tied to fuel cells and price capture, partially offset by softness in the industrial market.
- Adjusted EBITDA margin of 27.6% for the second quarter of 2023 decreased 420 basis points compared with 31.8% during the same period in 2022. The change in Adjusted EBITDA margin was attributed to the following:
  - ◦ Organic Adjusted EBITDA margin decreased 420 basis points due to unfavorable volume leverage, higher employee-related costs and unfavorable mix, partially offset by strong price/cost as well as lower discretionary spending and lower variable compensation costs;
  - ◦ Acquisitions negatively impacted Adjusted EBITDA margin by 10 basis points due to the dilutive impact of acquisitions on overall HST Adjusted EBITDA margin; and
  - ◦ Foreign currency positively impacted Adjusted EBITDA margin by 10 basis points.
- Adjusted EBITDA margin of 28.2% for the first six months of 2023 decreased 350 basis points compared with 31.7% during the same period in 2022. The change in Adjusted EBITDA margin was attributed to the following:

- ◦ Organic Adjusted EBITDA margin decreased 370 basis points due to unfavorable volume leverage, higher employee-related costs and unfavorable mix, partially offset by strong price/cost; and
- ◦ Foreign currency positively impacted Adjusted EBITDA margin by 20 basis points.

Fire & Safety/Diversified Products Segment

	Three Months Ended June 30,			Components of Change			
(Dollars in millions)	**2023**	**2022**	**Change**	**Organic**	**Acq/Div**	**Foreign Currency**	**Total**
Net sales	$ 184.8	$ 171.2	8%	8%	—	—	8%
Adjusted EBITDA	54.5	45.1	21%	21%	—	—	21%
Adjusted EBITDA margin	29.4 %	26.4 %	300 bps	310 bps	—	(10) bps	300 bps

	Six Months Ended June 30,			Components of Change			
(Dollars in millions)	**2023**	**2022**	**Change**	**Organic**	**Acq/Div**	**Foreign Currency**	**Total**
Net sales	$ 359.2	$ 335.9	7%	9%	—	(2%)	7%
Adjusted EBITDA	104.2	89.5	16%	18%	—	(2%)	16%
Adjusted EBITDA margin	29.0 %	26.6 %	240 bps	240 bps	—	—	240 bps

- Net sales in the second quarter of 2023 increased 14% domestically and 2% internationally. Net sales to customers outside the U.S. were approximately 48% of total segment sales in the second quarter of 2023 compared with 50% during the same period in 2022.
- Net sales in the first six months of 2023 increased 15% domestically and decreased 1% internationally. Net sales to customers outside the U.S. were approximately 48% of total segment sales in the first six months of 2023 compared with 52% during the same period in 2022.
- The change in organic net sales for both the three and six months ended June 30, 2023 was attributed to increases in the following:
  - ◦ Fire & Safety reporting unit driven by price capture, share gain with fire original equipment manufacturers, continued demand for rescue tools and operational execution; and
  - ◦ BAND-IT reporting unit driven by continued share gain in an otherwise flat automotive market.

  In addition, within the Dispensing report unit, timing of North American project sales positively impacted the three and six months ended June 30, 2023 while timing of deliveries within Europe and Asia negatively impacted the three and six months ended June 30, 2023.
- Adjusted EBITDA margin of 29.4% for the second quarter of 2023 increased 300 basis points compared with 26.4% during the same period in 2022. The change in Adjusted EBITDA margin was attributed to the following:
  - ◦ Organic Adjusted EBITDA margin increased 310 basis points due to strong price/cost, favorable mix, lower variable compensation costs, higher volume leverage and favorable operational productivity, net of higher employee-related costs; and
  - ◦ Foreign currency negatively impacted Adjusted EBITDA margin by 10 basis points.
- Adjusted EBITDA margin of 29.0% for the first six months of 2023 increased 240 basis points compared with 26.6% during the same period in 2022. The change in Adjusted EBITDA margin was attributed to the following:
  - ◦ Organic Adjusted EBITDA margin increased 240 basis points due to strong price/cost, higher volume leverage and operational productivity.

Liquidity and Capital Resources

Liquidity

Based on management's current expectations and currently available information, the Company believes current cash, cash from operations and cash available under the Revolving Credit Facility will be sufficient to meet its operating cash requirements, planned capital expenditures, interest and principal payments on all borrowings, pension and postretirement funding requirements, share repurchases and quarterly dividend payments to holders of the Company's common stock for the foreseeable future. Additionally, in the event that suitable businesses are available for acquisition upon acceptable terms, the Company may obtain all or a portion of the financing for these acquisitions through the incurrence of additional borrowings.

Select key liquidity metrics at June 30, 2023 are as follows:

(In millions)	June 30, 2023
Working capital	$ 1,001.3
Current ratio	3.1 to 1
Cash and cash equivalents	$ 457.0
Cash held outside of the United States	377.4
Revolving Credit Facility capacity	$ 800.0
Borrowings	79.5
Letters of credit	7.4
Revolving Credit Facility availability	$ 713.1

The Company believes that additional borrowings through various financing alternatives remain available, if required.

Operating Working Capital

Operating working capital, calculated as Receivables plus Inventories minus Trade accounts payable, is used by management as a measurement of operational results as well as the short-term liquidity of the Company. The following table details operating working capital as of June 30, 2023 and December 31, 2022:

(In millions)	June 30, 2023	December 31, 2022
Receivables	$ 455.2	$ 442.8
Inventories	482.5	470.9
Less: Trade accounts payable	189.7	208.9
Operating working capital	$ 748.0	$ 704.8

Operating working capital increased $43.2 million to $748.0 million during the six months ended June 30, 2023. Acquisitions and foreign currency translation contributed $18.1 million to the increase in operating working capital. The remaining increase in Operating working capital was primarily driven by Trade accounts payable, which decreased $18.5 million, due to lower purchases in anticipation of decreased volume in the second half of the year. While Inventories increased $1.7 million as compared to the prior year end, inventory reduction efforts in the second quarter of 2023 lowered first quarter elevated levels related to planned production. In addition, Receivables increased $4.9 million as a result of strong price capture.

Cash Flow Summary

The following table is derived from the Condensed Consolidated Statements of Cash Flows:

	Six Months Ended June 30,	
(In millions)	**2023**	**2022**
Net cash flows provided by (used in):		
Operating activities	$ 289.1	$ 192.0
Investing activities	(176.6)	(260.1)
Financing activities	(92.0)	(197.1)

Operating Activities

Cash flows provided by operating activities increased $97.1 million to $289.1 million in the six months ended June 30, 2023 primarily due to higher earnings and lower investments in working capital in 2023 as compared with 2022 primarily as a result of efforts to recalibrate inventory levels in response to normalizing market conditions.

Investing Activities

Cash flows used in investing activities decreased $83.5 million to $176.6 million in the six months ended June 30, 2023. The change is primarily due to the purchases of Nexsight and KZValve in 2022, partially offset by the purchase of Iridian, the purchase of marketable securities and higher capital expenditures in 2023.

Financing Activities

Cash flows used in financing activities decreased $105.1 million to $92.0 million in the six months ended June 30, 2023 from $197.1 million in the prior year period. The decrease was primarily the result of lower repurchases of common stock, which were $109.4 million higher during the prior year period.

Free Cash Flow

The Company believes free cash flow, a non-GAAP measure, is an important measure of performance because it provides a measurement of cash generated from operations that is available for payment obligations such as operating cash requirements, planned capital expenditures, interest and principal payments on all borrowings, pension and postretirement funding requirements and quarterly dividend payments to holders of the Company's common stock as well as for funding acquisitions and share repurchases. Free cash flow is calculated as cash flows provided by operating activities less capital expenditures.

The following table reconciles free cash flow to cash flows provided by operating activities:

	Six Months Ended June 30,	
(Dollars in millions)	**2023**	**2022**
Cash flows provided by operating activities	$ 289.1	$ 192.0
Less: capital expenditures	48.2	31.7
Free cash flow	$ 240.9	$ 160.3
Free cash flow as a percent of adjusted net income attributable to IDEX	74.4 %	52.8 %

The increase in free cash flow as compared to 2022 is due to lower investments in working capital discussed above in 2023 as compared with 2022, partially offset by higher capital expenditures.

Cash Requirements

Capital Expenditures

Capital expenditures generally include machinery and equipment that support growth and improved productivity, tooling, business system technology, replacement of equipment and investments in new facilities. The Company believes it has sufficient operating cash flows to continue to meet current obligations and invest in planned capital expenditures. Cash flows from operations were more than adequate to fund capital expenditures of $48.2 million and $31.7 million in the first six months of 2023 and 2022, respectively.

Share Repurchases

During the six months ended June 30, 2023, the Company repurchased 5,400 shares at a cost of $1.1 million, of which $0.1 million did not settle until July 2023. As of June 30, 2023, the amount of share repurchase authorization remaining was $562.8 million. For additional information regarding the Company's share repurchase program, refer to Note 14 in the Notes to Condensed Consolidated Financial Statements.

Dividends

Total dividend payments to common shareholders were $93.9 million during the six months ended June 30, 2023 compared with $86.9 million during the six months ended June 30, 2022.

Covenants

The key financial covenants that the Company is required to maintain in connection with the Revolving Credit Facility, the Term Facility, the 3.37% Senior Notes and the 5.13% Senior Notes, are a minimum interest coverage ratio of 3.0 to 1 and a maximum leverage ratio of 3.50 to 1. At June 30, 2023, the Company was in compliance with these financial covenants, as the Company's interest coverage ratio was 21.03 to 1 for covenant calculation purposes and the leverage ratio was 1.52 to 1. There are no financial covenants relating to the 2.625% Senior Notes or the 3.00% Senior Notes; however, both are subject to cross-default provisions.

Credit Ratings

The Company's credit ratings, which were independently developed by the following credit agencies, are detailed below:

- S&P Global Ratings affirmed the Company's corporate credit rating of BBB (stable outlook) in August 2022.
- Moody's Investors Service affirmed the Company's corporate credit rating of Baa2 (stable outlook) in December 2021.
- Fitch Ratings reaffirmed the Company's corporate credit rating of BBB+ (stable outlook) in April 2023.

Critical Accounting Estimates

As discussed in the Annual Report on Form 10-K for the year ended December 31, 2022, the preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and judgments that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. There have been no changes to the Company's critical accounting estimates described in the Annual Report on Form 10-K for the year ended December 31, 2022.

Non-GAAP Disclosures

Set forth below are reconciliations of each of Organic net sales, Adjusted gross profit, Adjusted gross margin, Adjusted net income attributable to IDEX, Adjusted diluted earnings per share ("EPS") attributable to IDEX, Consolidated Adjusted earnings before interest, income taxes, depreciation and amortization ("Adjusted EBITDA") and Consolidated Adjusted EBITDA margin to its respective most directly comparable U.S. GAAP measure. Management uses these metrics to measure performance of the Company since they exclude items that are not reflective of ongoing operations, as identified in the reconciliations below. Management also supplements its U.S. GAAP financial statements with adjusted information to provide investors with greater insight, transparency and a more comprehensive understanding of the information used by management in its financial and operational decision making.

This report references organic sales, a non-GAAP measure, that excludes (1) the impact of foreign currency translation and (2) sales from acquired or divested businesses during the first 12 months of ownership or prior to divestiture. The portion of sales attributable to foreign currency translation is calculated as the difference between (a) the period-to-period change in organic sales and (b) the period-to-period change in organic sales after applying prior period foreign exchange rates to the current year period. Management believes that reporting organic sales provides useful information to investors by helping to identify underlying growth trends in the Company's business and facilitating easier comparisons of the Company's revenue with prior and future periods and to its peers. The Company excludes the effect of foreign currency translation from organic sales because foreign currency translation is not under management's control, is subject to volatility and can obscure underlying business trends. The Company excludes the effect of acquisitions and divestitures because they can obscure underlying business trends and make comparisons of long-term performance difficult due to the varying nature, size and number of transactions from period to period and between the Company and its peers.

Management believes that Adjusted EBITDA, which is EBITDA adjusted for items that are not reflective of ongoing operations, is useful as a performance indicator of ongoing operations. The Company believes that Adjusted EBITDA is useful to investors as an indicator of the strength and performance of the Company and its segments' ongoing business operations and a way to evaluate and compare operating performance and value companies within the Company's industry. Management believes that Adjusted EBITDA margin is useful for the same reason as Adjusted EBITDA. The definition of Adjusted EBITDA used here may differ from that used by other companies.

This report also references free cash flow. This non-GAAP measure is discussed and reconciled to its most directly comparable U.S. GAAP measure in the section above titled "Free Cash Flow."

The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, financial measures prepared in accordance with U.S. GAAP. Due to rounding, numbers presented throughout this and other documents may not add up or recalculate precisely. The financial results prepared in accordance with U.S. GAAP and the reconciliations from these results should be carefully evaluated.

1. Reconciliations of the Change in Net Sales to Organic Net Sales

	Three Months Ended June 30, 2023			
	FMT	HST	FSDP	IDEX
Change in net sales	8 %	4 %	8 %	6 %
- Net impact from acquisitions/divestitures	(1 %)	10 %	—	4 %
- Impact from foreign currency	(1 %)	—	—	(1 %)
Change in organic net sales	10 %	(6 %)	8 %	3 %

	Six Months Ended June 30, 2023			
	FMT	HST	FSDP	IDEX
Change in net sales	13 %	8 %	7 %	9 %
- Net impact from acquisitions/divestitures	4 %	11 %	—	6 %
- Impact from foreign currency	(1 %)	(1 %)	(2 %)	(1 %)
Change in organic net sales	10 %	(2 %)	9 %	4 %

2. Reconciliations of Reported-to-Adjusted Gross Profit and Margin (dollars in millions)

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Gross profit	$ 378.0	$ 356.9	$ 760.5	$ 699.4
+ Fair value inventory step-up charges	—	0.4	—	0.4
Adjusted gross profit	$ 378.0	$ 357.3	$ 760.5	$ 699.8
Net sales	$ 846.2	$ 796.1	$ 1,691.6	$ 1,547.2
Gross margin	44.7 %	44.8 %	45.0 %	45.2 %
Adjusted gross margin	44.7 %	44.9 %	45.0 %	45.2 %

3. Reconciliations of Reported-to-Adjusted Net Income and Diluted EPS (in millions, except per share amounts)

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Reported net income attributable to IDEX	$ 138.6	$ 138.2	$ 278.4	$ 278.2
+ Restructuring expenses and asset impairments	3.6	2.8	4.1	2.8
+ Tax impact on restructuring expenses and asset impairments	(0.8)	(0.7)	(0.9)	(0.7)
+ Fair value inventory step-up charges	—	0.4	—	0.4
+ Tax impact on fair value inventory step-up charges	—	(0.1)	—	(0.1)
- Gains on sales of assets	—	—	—	(2.7)
+ Tax impact on gains on sales of assets	—	—	—	0.6
+ Credit loss on note receivable from collaborative partner[1]	7.7	—	7.7	—
+ Tax impact on credit loss on note receivable from collaborative partner	(1.6)	—	(1.6)	—
+ Acquisition-related intangible asset amortization	23.2	16.9	46.8	32.2
+ Tax impact on acquisition-related intangible asset amortization	(5.3)	(3.9)	(10.5)	(7.3)
Adjusted net income attributable to IDEX	$ 165.4	$ 153.6	$ 324.0	$ 303.4

(1) Represents a reserve on an investment with a collaborative partner that may no longer be recoverable. See Note 3 in the Notes to Condensed Consolidated Financial Statements for further detail.

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	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Reported diluted EPS attributable to IDEX	$ 1.82	$ 1.81	$ 3.66	$ 3.65
+ Restructuring expenses and asset impairments	0.05	0.04	0.06	0.04
+ Tax impact on restructuring expenses and asset impairments	(0.01)	(0.01)	(0.01)	(0.01)
+ Fair value inventory step-up charges	—	—	—	—
+ Tax impact on fair value inventory step-up charges	—	—	—	—
- Gains on sales of assets	—	—	—	(0.03)
+ Tax impact on gains on sales of assets	—	—	—	0.01
+ Credit loss on note receivable from collaborative partner[(1)]	0.10	—	0.10	—
+ Tax impact on credit loss on note receivable from collaborative partner	(0.02)	—	(0.02)	—
+ Acquisition-related intangible asset amortization	0.31	0.22	0.62	0.42
+ Tax impact on acquisition-related intangible asset amortization	(0.07)	(0.04)	(0.14)	(0.10)
Adjusted diluted EPS attributable to IDEX	$ 2.18	$ 2.02	$ 4.27	$ 3.98
Diluted weighted average shares outstanding	75.9	76.1	75.9	76.2

(1) Represents a reserve on an investment with a collaborative partner that may no longer be recoverable. See Note 3 in the Notes to Condensed Consolidated Financial Statements for further detail.

4. Reconciliations of Net Income to Adjusted EBITDA (dollars in millions)

	Three Months Ended June 30,									
	2023					2022				
	FMT	HST	FSDP	Corporate	IDEX	FMT	HST	FSDP	Corporate	IDEX
Reported net income	$ —	$ —	$ —	$ —	$ 138.5	$ —	$ —	$ —	$ —	$ 138.1
+ Provision for income taxes	—	—	—	—	40.0	—	—	—	—	39.0
+ Interest expense	—	—	—	—	13.3	—	—	—	—	9.5
- Other income (expense) - net	—	—	—	—	(8.3)	—	—	—	—	—
Operating income (loss)	103.3	67.5	50.6	(21.3)	200.1	82.9 —	86.5	39.9	(22.7)	186.6
+ Other income (expense) - net	0.4	(0.2)	(0.3)	(8.2)	(8.3)	0.2	1.2	0.5	(1.9)	—
+ Depreciation	4.1	7.8	2.3	0.2	14.4	4.2	6.1	2.1	0.1	12.5
+ Amortization	5.7	15.9	1.6	—	23.2	5.6	9.7	1.6	—	16.9
+ Fair value inventory step-up charges	—	—	—	—	—	0.4	—	—	—	0.4
+ Restructuring expenses and asset impairments	0.6	2.7	0.3	—	3.6	1.7	0.1	1.0	—	2.8
+ Credit loss on note receivable from collaborative partner[(1)]	—	—	—	7.7	7.7	—	—	—	—	—
Adjusted EBITDA	$ 114.1	$ 93.7	$ 54.5	$ (21.6)	$ 240.7	$ 95.0	$ 103.6	$ 45.1	$ (24.5)	$ 219.2
Net sales (eliminations)	$ 325.1	$ 339.5	$ 184.8	$ (3.2)	$ 846.2	$ 299.9	$ 326.0	$ 171.2	$ (1.0)	$ 796.1
Net income margin					16.4 %					17.3 %
Adjusted EBITDA margin	35.1 %	27.6 %	29.4 %	n/m	28.4 %	31.7 %	31.8 %	26.4 %	n/m	27.5 %

(1) Represents a reserve on an investment with a collaborative partner that may no longer be recoverable. See Note 3 in the Notes to Condensed Consolidated Financial Statements for further detail.

	Six Months Ended June 30,									
	2023					2022				
	FMT	HST	FSDP	Corporate	IDEX	FMT	HST	FSDP	Corporate	IDEX
Reported net income	$ —	$ —	$ —	$ —	$ 278.3	$ —	$ —	$ —	$ —	$ 278.0
+ Provision for income taxes	—	—	—	—	80.0	—	—	—	—	79.5
+ Interest expense	—	—	—	—	26.4	—	—	—	—	19.0
- Other income (expense) - net	—	—	—	—	(7.7)	—	—	—	—	2.3
Operating income (loss)	199.8	145.0	96.6	(49.0)	392.4	163.3	170.1	80.4	(39.6)	374.2
+ Other income (expense) - net	0.9	(0.5)	(0.5)	(7.6)	(7.7)	1.8	1.4	2.1	(3.0)	2.3
+ Depreciation	7.2	15.1	4.4	0.5	27.2	8.1	12.2	4.2	0.2	24.7
+ Amortization	11.7	31.8	3.3	—	46.8	9.3	19.6	3.3	—	32.2
+ Fair value inventory step-up charges	—	—	—	—	—	0.4	—	—	—	0.4
+ Restructuring expenses and asset impairments	0.7	3.0	0.4	—	4.1	1.7	0.1	1.0	—	2.8
- Gains on sales of assets	—	—	—	—	—	(1.2)	—	(1.5)	—	(2.7)
+ Credit loss on note receivable from collaborative partner(1)	—	—	—	7.7	7.7	—	—	—	—	—
Adjusted EBITDA	$ 220.3	$ 194.4	$ 104.2	$ (48.4)	$ 470.5	$ 183.4	$ 203.4	$ 89.5	$ (42.4)	$ 433.9
Net sales (eliminations)	$ 646.9	$ 690.5	$ 359.2	$ (5.0)	$ 1,691.6	$ 571.9	$ 641.2	$ 335.9	$ (1.8)	$ 1,547.2
Net income margin					16.4 %					18.0 %
Adjusted EBITDA margin	34.1 %	28.2 %	29.0 %	n/m	27.8 %	32.1 %	31.7 %	26.6 %	n/m	28.0 %

(1) Represents a reserve on an investment with a collaborative partner that may no longer be recoverable. See Note 3 in the Notes to Condensed Consolidated Financial Statements for further detail.

Cautionary Statement Under the Private Securities Litigation Reform Act

This quarterly report on Form 10-Q, including the "Overview," "Results of Operations" and "Liquidity and Capital Resources" sections of this Management's Discussion and Analysis of Financial Condition and Results of Operations, contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements may relate to, among other things, anticipated changes in the second half of 2023, anticipated future acquisition behavior, availability of cash and financing alternatives and the anticipated benefits of the Company's recent acquisitions, including the acquisitions of Nexsight, KZValve, Muon Group and Iridian, and are indicated by words or phrases such as "anticipates," "estimates," "plans," "guidance," "expects," "projects," "forecasts," "should," "could," "will," "management believes," "the Company believes," "the Company intends" and similar words or phrases. These statements are subject to inherent uncertainties and risks that could cause actual results to differ materially from those anticipated at the date of this report.

The risks and uncertainties include, but are not limited to, the following: levels of industrial activity and economic conditions in the U.S. and other countries around the world, including uncertainties in the financial markets and adverse developments affecting the financial services industry; pricing pressures, including inflation and rising interest rates, 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; the impact of health epidemics and pandemics and terrorist attacks and wars, which could have an adverse impact on the Company's business by creating disruptions in the global supply chain and by potentially having an adverse impact on the global economy; the Company's ability to make acquisitions and to integrate and operate acquired businesses on a profitable basis; the relationship of the U.S. dollar to other currencies and its impact on pricing and cost competitiveness; political and economic conditions in foreign countries in which the Company operates; developments with respect to trade policy and tariffs; capacity utilization and the effect this has on costs; labor markets; supply chain conditions; market conditions and material costs; risks related to environmental, social and corporate governance issues, including those related to climate change and sustainability; and developments with respect to contingencies, such as litigation and environmental matters.

Additional factors that could cause actual results to differ materially from those reflected in the forward-looking statements include, but are not limited to, the risks discussed in the "Risk Factors" section included in the Company's most recent annual report on Form 10-K and the Company's subsequent quarterly reports filed with the Securities and Exchange Commission ("SEC") and the other risks discussed in the Company's filings with the SEC. The forward-looking statements included here are only made as of the date of this report, and management undertakes no obligation to publicly update them to reflect subsequent events or circumstances, except as may be required by law. Investors are cautioned not to rely unduly on forward-looking statements when evaluating the information presented here.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

There have been no material changes with respect to market risks disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

Item 4. ***Controls and Procedures***

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company’s Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to the Company’s management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As required by SEC Rule 13a-15(b), the Company carried out an evaluation, under the supervision and with the participation of the Company’s management, including the Company’s Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company’s disclosure controls and procedures as of the end of the period covered by this report. Based on the foregoing, the Company’s Chief Executive Officer and Chief Financial Officer concluded that the Company’s disclosure controls and procedures were effective as of June 30, 2023.

There has been no change in the Company’s internal control over financial reporting during the Company’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. *Legal Proceedings*

The Company and its subsidiaries are party to legal proceedings arising in the ordinary course of business as described in Note 17 in Part I, Item 1, “Legal Proceedings,” and such disclosure is incorporated by reference into this Item 1, “Legal Proceedings.”

The Company’s threshold for disclosing material environmental legal proceedings involving a government authority where potential monetary sanctions are involved is $1.0 million.

In addition, the Company and six of its subsidiaries are presently named as defendants in a number of lawsuits claiming various asbestos-related personal injuries, allegedly as a result of exposure to products manufactured with components that contained asbestos. These components were acquired from third party suppliers and were not manufactured by the Company or any of the defendant subsidiaries. To date, the majority of the Company’s settlements and legal costs, except for costs of coordination, administration, insurance investigation and a portion of defense costs, have been covered in full by insurance, subject to applicable deductibles. However, the Company cannot predict whether and to what extent insurance will be available to continue to cover these settlements and legal costs, or how insurers may respond to claims that are tendered to them. Asbestos-related claims have been filed in jurisdictions throughout the United States and the United Kingdom. Most of the claims resolved to date have been dismissed without payment. The balance of the claims have been settled for various immaterial amounts. Only one case has been tried, resulting in a verdict for the Company’s business unit. No provision has been made in the financial statements of the Company, other than for insurance deductibles in the ordinary course, and the Company does not currently believe the asbestos-related claims will have a material adverse effect on the Company’s business, financial position, results of operations or cash flows.

Item 1A. *Risk Factors*

There have been no material changes with respect to risk factors disclosed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

The following table provides information about the Company’s purchases of its common stock during the quarter ended June 30, 2023:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value that May Yet be Purchased Under the Plans or Programs[1]
April 1, 2023 to April 30, 2023	1,400	$ 199.60	1,400	$ 563,561,945
May 1, 2023 to May 31, 2023	2,900	198.86	2,900	562,982,346
June 1, 2023 to June 30, 2023	1,100	198.79	1,100	562,763,657
Total	5,400	$ 199.59	5,400	$ 562,763,657

(1) On March 17, 2020, the Company’s Board of Directors approved an increase of $500.0 million in the authorized level of repurchases of common stock. This approval is in addition to the prior repurchase authorization of the Board of Directors of $300.0 million on December 1, 2015. These authorizations have no expiration date.

Item 5. *Other Information*

During the quarter ended June 30, 2023, none of the Company’s directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement.”

Item 6. ***Exhibits***

Exhibit Number	Description
10.1**, *	IDEX Management Incentive Compensation Plan, as Amended and Restated on June 21, 2023
31.1*	Certification of Chief Executive Officer Pursuant to Section 302 of Sarbanes Oxley Act of 2002
31.2*	Certification of Chief Financial Officer Pursuant to Section 302 of Sarbanes Oxley Act of 2002
32.1*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350
32.2*	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350
101*	The following financial information from IDEX Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2023 formatted in Inline eXtensible Business Reporting Language (iXBRL) includes: (i) the Cover Page, (ii) the Condensed Consolidated Balance Sheets, (iii) the Condensed Consolidated Statements of Income, (iv) the Condensed Consolidated Statements of Comprehensive Income, (v) the Condensed Consolidated Statements of Equity, (vi) the Condensed Consolidated Statements of Cash Flows, and (vii) Notes to the Condensed Consolidated Financial Statements.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

** Management contract or compensatory plan or agreement.

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.

IDEX Corporation

By:	/s/ WILLIAM K. GROGAN
	William K. Grogan *Senior Vice President and Chief Financial Officer* *(Principal Financial Officer)*
By:	/s/ ALLISON S. LAUSAS
	Allison S. Lausas *Vice President and Chief Accounting Officer* *(Principal Accounting Officer)*

Date: July 27, 2023

IDEX CORPORATION
NORTHBROOK, ILLINOIS

IDEX MANAGEMENT INCENTIVE COMPENSATION PLAN

EFFECTIVE JANUARY 1, 2022, AS AMENDED AND RESTATED ON JUNE 21, 2023

1. Purpose. The purpose of the IDEX Management Incentive Compensation Plan (the "Plan") is to provide incentive and reward to certain key employees of the IDEX Corporation, a Delaware corporation (the "Corporation"), or any of its Subsidiaries, who contribute to the profits of the enterprise by their invention, ability, industry, loyalty or exceptional service, through making them participants in that success. The primary objectives of the Plan are to:

   - Effectively incent desired organizational performance levels by focusing on a few quantitative and qualitative indicators that drive overall company performance.
   - Ensure accountability, support, and accomplishment of corporate-wide initiatives.
   - Provide leverage for support of multi-business unit activities to take advantage of synergies across units and within newly-formed groups.
   - Enhance the reward and retention of top performers.

2. Definitions. Wherever the following terms are used in the Plan, they shall have the meanings specified below, unless context clearly indicates otherwise. The singular pronoun shall include the plural where context so indicates.

   (a) "Applicable Accounting Standards" shall mean Generally Accepted Accounting Principles in the United States, International Financial Reporting Standards or such other accounting principles or standards as may apply to the Corporation's financial statements under United States federal securities laws from time to time.

   (b) "Award" means an award made pursuant to the Plan.

   (c) "Award Year" means the fiscal year of the Corporation.

   (d) "Board" means the Board of Directors of the Corporation.

   (e) "Change in Control" means the consummation 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 of the Corporation are (for cash, property (including, without limitation, stock in any corporation), or indebtedness, or any combination thereof) redeemed by the Corporation 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 Corporation, or any combination of such redemption, purchase or exchange, or (ii) at least 51 percent of the Corporation's assets are purchased by any person(s), firm(s) or entity(ies) whether or not affiliated with the Corporation for cash, property (including, without limitation, stock in any corporation) or indebtedness or any combination thereof, or (iii) the Corporation is merged or consolidated with another corporation regardless of whether the Corporation is the survivor (except any such transaction solely for the purpose of changing the Corporation's domicile or which does not change the ultimate beneficial ownership of the equity interests in the Corporation), 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 Securities Exchange Act of 1934, as amended, and the regulations thereunder, and the term "management" shall mean the chief executive officer of the Corporation. For purposes of clause (a)(ii) above or as appropriate for purposes of clause (b) above, the Corporation 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.

(f) "Code" means the Internal Revenue Code of 1986, as amended.

(g) "Compensation Committee" means the Compensation Committee of the Board. The Compensation Committee shall consist of at least two individuals, each of whom qualifies as a Non-Employee Director and an "independent director" under the rules of the New York Stock Exchange (or other principal securities market on which shares of stock of the Corporation are traded); *provided* that any action taken by the Compensation Committee shall be valid and effective, whether or not members of the Compensation Committee at the time of such action are later determined not to have satisfied the requirements for membership set forth herein or otherwise provided in any charter of the Compensation Committee. Reference to the Compensation Committee shall refer to the Board if the Compensation Committee ceases to exist and the Board does not appoint a successor committee.

(h) "Disability" means, for U.S.-based Participants, that a Participant is eligible to receive long-term disability payments under the Corporation's long-term disability insurance program, as it may be amended from time to time or, for non- U.S.-based participants, is eligible for long-term disability benefits pursuant to a government-sponsored social security scheme.

(i) "Employee" means any officer or other employee of the Corporation or any Subsidiary.

(j) "Misconduct" is determined in the Compensation Committee's or its delegate's sole discretion and includes: theft, embezzlement, fraud, dishonesty, misappropriation, nonpayment of any obligation owed to the Corporation, breach of fiduciary duty, material violation of an established Company policy or procedure, an unauthorized disclosure of any Corporation trade secret or confidential information, any conduct constituting unfair competition, or inducing any customer to breach a contract with the Corporation.

(k) "Participant" means any eligible Employee selected from time to time by the Compensation Committee to participate in the Plan for a particular Award Year, which may include, without limitation, officers, key executive office managerial employees, business unit leaders and employees reporting directly to business unit leaders, other key managerial or professional employees engaged in capacities of special responsibility and trust in the development, conduct, or management or the operating unit.

(l) "Performance Criteria" means the criteria (and adjustments) that the Compensation Committee may select for purposes of establishing the Performance Objective or Performance Objectives for a Participant for a Performance Period.

(i) The Performance Criteria that will be used to establish Performance Objectives may include, but are not limited to, the following: net earnings (either before or after interest, taxes, depreciation and amortization), economic value-added (as determined by the Compensation Committee), sales or revenue, net income (either before or after taxes), operating earnings, cash flow (including, but not limited to, operating cash flow and free cash flow), cash flow return on capital, return on net assets, return on stockholders' equity, return on assets, return on capital, stockholder returns, return on sales, gross or net profit margin, productivity, expense margins, operating efficiency, customer satisfaction, working capital, earnings per share, price per share of stock, and market share, and environmental, social and governance metrics or initiatives, any of which may be measured either in absolute terms or as compared to any incremental increase or improvement or as compared to results of a peer group or to market performance indicators or indices.

(ii) The Compensation Committee shall, in its sole discretion, select the Performance Criteria that relate to each Performance Objective. The Compensation Committee may, in its sole discretion, provide that one or more adjustments shall be made to one or more of the Performance Criteria underlying the Performance Objectives. Such adjustments may include, but are not limited to, one or more of the following: (i) items related to a change in accounting principles; (ii) items relating to financing activities; (iii) expenses for restructuring or productivity initiatives; (iv) other non-operating items; (v) items related to acquisitions; (vi) items attributable to the business operations of any entity acquired by the Corporation during the Performance Period; (vii) items related to the disposal of a business or segment of a business; (viii) items related to discontinued operations that do not qualify as a segment of a business under Applicable Accounting Standards; (ix) items attributable to any stock dividend, stock split, combination or exchange of stock occurring during the Performance Period; (x) any other items of significant income or expense which are determined to be appropriate adjustments; (xi) items relating to unusual or extraordinary corporate transactions, events or developments, (xii) items related to amortization of acquired intangible assets; (xiii) items that are outside the scope of the Corporation's core, on-going business activities; (xiv) items related to acquire in-process research and development; (xv) items relating to changes in tax laws; (xvi) items relating to major licensing or partnership arrangements; (xvii) items relating to asset impairment charges; (xviii) items relating to gains or losses for litigation, arbitration and contractual settlements; or (xix) items relating to any other unusual or nonrecurring events or changes in applicable laws, accounting principles or business conditions.

(m) "Performance Objectives" means, for a Performance Period, the goals established in writing by the Compensation Committee for the Performance Period based upon the Performance Criteria. Depending on the Performance Criteria used to establish such Performance Objectives, the Performance Objectives may be expressed in terms of overall performance of the Corporation or the performance of a division, business unit, platform or an individual.

(n) "Performance Period" means the one or more periods of time, which may be of varying and overlapping durations, as the Compensation Committee may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to, and the payment of, an Award.

(o) "Retirement" means an employee's termination of service on or after accruing at least five Years of Service with the Corporation or a Subsidiary after being acquired by the Corporation, and attaining an age of at least 50, if the sum of the employee's age and Years of Service is at least 70.

(p) "Subsidiary" means any (i) "subsidiary corporation" as defined in Section 424(f) of the Code and any applicable regulations promulgated thereunder; (ii) partnership, association or other business entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Corporation or one or more of its Subsidiaries or a combination thereof; or (iii) other corporation, partnership, association or other business entity deemed to be a "Subsidiary" by the Compensation Committee, in its sole discretion.

(q) "Target Bonus Award" means the Award payable to a Participant if there is a 100% achievement for each Performance Objective.

(r) "Years of Service" means the number of continuous full years of a Participant's employment with the Corporation or any of its Subsidiaries.

3. Administration. Full power and authority to construe, interpret and administer this Plan shall be vested in the Compensation Committee. Decisions of the Compensation Committee shall be final, conclusive, and binding upon all parties, including, but not limited to, the Corporation, any Subsidiary, the stockholders, and the Employees.

4. Eligibility. All present and future Employees shall be eligible to be selected by the Compensation Committee to receive Awards under the Plan. The Compensation Committee shall have the power and complete discretion to select eligible Employees to receive Awards and to determine for each Participant the terms and conditions and the amount of each Award.

5. Participation. Subject to the provisions of the Plan, the Compensation Committee may, from time to time, select among eligible Employees, those to whom Awards shall be granted and shall determine the nature and amount of each Award. No individual shall have any right to be granted an Award pursuant to this Plan.

6. Payment.

(a) A Participant will not have earned (under applicable wage or labor laws or any other legal or contractual requirements or obligations), and is not otherwise entitled to receive, payment of an Award if the Participant is not an Employee as of October 1 of the Award Year, has not remained employed continuously through the payment date of the Award, and has not satisfied the Performance Criteria, unless otherwise provided for herein or determined by the Compensation Committee.

(b) Payment of an Award with respect to any Performance Period shall be made in a lump sum cash payment, as soon as feasible after the close of the applicable Performance Period. Awards shall be made and the Participants shall be notified thereof and paid therefore promptly, and in any event, no later than March 15 of the year following the

Award Year in which a Performance Period terminates, subject to the conditions provided for herein.

7. Awards.

   (a) The Compensation Committee may establish a schedule or other separate written agreement for each Award which shall set forth the Performance Objectives of each Award, the maximum payment and such other terms and conditions applicable to the Award, as determined by the Compensation Committee, not inconsistent with the terms of the Plan. The Target Bonus Award for each Participant may be set forth on a schedule or a separate written agreement between such Participant and the Corporation or any of its Subsidiaries.

   (b) Generally, each Award Year, the Compensation Committee may establish Performance Objectives. The Compensation Committee may vary the Performance Objectives, the duration of the Performance Periods and weightings from Participant to Participant, Award to Award and Award Year to Award Year.

   (c) The Compensation Committee shall establish for each Award the percentage of the Target Bonus Award for such Participant payable at specified levels of performance, based on the actual achievement for each Performance Objective and the weighting established for such objective. All determinations regarding the achievement of any Performance Objective will be made by the Compensation Committee. Notwithstanding the terms of any Award or the achievement of any Performance Objective, the Compensation Committee may adjust the amount payable pursuant to such Award upon attainment of the applicable Performance Objective.

   (d) Where a Participant has had a salary increase during a Performance Period, the Award amount may be prorated to reflect the change. However, any changes to base salary prior to April 2 (effective April 1 or before) of the Award Year will be considered the base salary for incentive calculation purposes. In addition, where a Participant has moved into another position with a different Target Bonus Award or transferred to a different business unit, the bonus calculation may be prorated to reflect the different Target Bonus Award and the different unit objectives measurement, respectively.

   (e) For performance between minimum, target and maximum thresholds established by the Compensation Committee (if any) with respect to any Performance Objective, the Compensation Committee may interpolate the appropriate bonus percentage earned. Results may be stated on a constant exchange rate assumption so that results of international locations will be included and considered on a currency neutral basis, as applicable.

8. Discretionary Bonus Pool. For any Award Year, the Compensation Committee may establish a discretionary bonus pool reserved to reward key employees participating in the Plan in amounts above and beyond their respective Awards for their extraordinary performance or in special circumstances. Awards to be made from this discretionary bonus pool may be based upon recommendations made by the Chief Executive Officer of the Corporation and others holding senior management positions within the Corporation, with such recommendations subject to review by the Compensation Committee. The establishment of a discretionary bonus pool for a particular Award Year shall not create a presumption that all or any particular amount of such discretionary bonus pool must be awarded.

9. Clawback.

(a) Consistent with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, and to the extent not in violation of any applicable law, the Corporation reserves the right to recover ("clawback") from current and/or former directors and executive officers any wrongfully earned performance-based compensation, including stock-based awards, upon the determination by the Compensation Committee of the following:

(i) There is a restatement of the Corporation's financials, due to the material noncompliance with any financial reporting requirement,

(ii) The cash incentive or equity compensation to be recouped was calculated on, or its realized value affected by, the financial results that were subsequently restated,

(iii) The cash incentive or equity compensation would have been less valuable than what was actually awarded or paid based upon the application of the correct financial results, and

(iv) The pay affected by the calculation was earned or awarded within three years of the determination of the necessary restatement.

(b) Notwithstanding any other provision of the Plan to the contrary, if a Participant is determined to have engaged in Misconduct, the Compensation Committee may determine that:

(i) The Participant shall not receive any future Awards pursuant to the Plan;

(ii) Any of the Participant's outstanding Awards shall be subject to suspension, reduction, cancellation, or forfeiture, in each case, to the extent permitted by applicable law; or

(iii) The Corporation may demand repayment from a Participant of any cash proceeds that have been distributed to the Participant in respect of Awards to the extent permitted by applicable law.

Any provision of this Section 9 which is determined by a court of competent jurisdiction to be invalid or unenforceable should be construed or limited in a manner that is valid and enforceable and that comes closest to the business objectives intended by such invalid or unenforceable provision, without invalidating or rendering unenforceable the remaining provisions of this Section 9. The Compensation Committee has exclusive authority to modify, interpret and enforce Section 9 in compliance with all regulations.

10. Death, Disability and Retirement. Notwithstanding Section 6(a) of the Plan, in the event of a Participant's death, Disability or Retirement, the Participant will receive an Award prorated for the portion of the Performance Period (measured to the nearest full month) he or she was employed by the Corporation or any of its Subsidiaries. The prorated Award will be based on actual performance through the end of the Performance Period in which death, Disability, or Retirement occurs (with any individual performance-based Performance Objectives being paid out at target level), unless otherwise determined by the Compensation Committee. The prorated

Award shall be paid along with bonus payments to other Plan participants following the end of the Performance Period. For the avoidance of doubt, a Participant who leaves the employ of the Corporation or any of its Subsidiaries prior to the end of the Performance Period for any reason other than death, Disability, or Retirement, as specified above, shall not be entitled to any payment under this Plan.

11. Change in Control. In the event of a Change in Control of the Corporation, in addition to any action required or authorized by the terms of an Award, the Compensation Committee may, in its sole discretion, take any of the following actions, subject to any required deferrals in accordance with Code Section 409A, as a result, or in anticipation, of any such event to assure fair and equitable treatment of Participants: (a) accelerate time periods for purposes of vesting in, or receiving any payment with regard to, any outstanding Award, or (b) make adjustments or modifications to outstanding Awards as the Compensation Committee deems appropriate to maintain and protect the rights and interests of Participants following such Change in Control. Any such action approved by the Compensation Committee shall be conclusive and binding on the Corporation and all Participants.

12. Termination and Amendment. The Compensation Committee shall have the right to modify, suspend, or terminate this Plan at any time. The Chief Executive Officer or the Chief Human Resources Officer of the Corporation, shall have the right to modify this Plan, including through the adoption of local addendum, as necessary to comply with local laws. A termination or amendment of the Plan shall not, without the consent of the Participant, adversely affect a Participant's rights under an Award previously granted to such Participant, unless such termination or amendment is required by applicable law or the Compensation Committee expressly reserved the right to make such amendment at the time the Award was granted.

13. Limits on Transfer. No right or interest of a Participant in any Award may be pledged, encumbered, or hypothecated to or in favor of any party other than the Corporation or a Subsidiary, or shall be subject to any lien, obligation, or liability of such Participant to any other party other than the Corporation or a Subsidiary. Except as otherwise provided by the Compensation Committee, no Award shall be assigned, transferred, or otherwise disposed of by a Participant other than by will or the laws of descent and distribution or pursuant to beneficiary designation procedures approved from time to time by the Compensation Committee.

14. Unfunded Plan. The Plan shall be unfunded. Participants will have no rights under the Plan other than as secured general creditors of the Corporation and its Subsidiaries. Nothing contained in the Plan or any Award schedule, agreement or other similar document shall be deemed to create a trust of any kind for the benefit of any Participant, or create any fiduciary relationship between the Corporation and any participant with respect to any assets of the Corporation.

15. Miscellaneous.

(a) Whenever payments under the Plan are to be made, the Corporation and/or the Subsidiary will withhold therefrom an amount sufficient to satisfy any applicable governmental withholding tax requirements related thereto.

(b) If a Participant dies, his or her unpaid Award, if any, shall be paid and delivered in accordance with the terms specified in applicable beneficiary or trust arrangements, if any, to his or her legal representatives or to the persons entitled thereto as determined by a court of competent jurisdiction. Such unpaid Award, if any, may be paid out as determined by the Corporation in its discretion subject to the approval of the Compensation Committee.

(c) Nothing contained in this Plan or in any other documents related to this Plan or to any Award shall confer upon any person, including but not limited to, any Employee or Participant, any right to be retained in the employ or other service of the Corporation or a Subsidiary or constitute any contract or limit in any way the right of the Corporation or a Subsidiary to change such person's compensation or other benefits. Further, nothing contained in this Plan or in any other documents related to this Plan or to any Award shall restrict in any way the right of the Corporation or any Subsidiary to discharge any Employee or Participant at any time and for any reason, with or without cause or notice.

16. Governing Law. The Plan and all Awards shall be construed in accordance with and governed by the laws of the State of Delaware.

17. Severability. The provisions of the Plan shall be deemed severable and the validity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

18. Effective Date. This Plan is effective as of January 1, 2022, as amended and restated on June 21, 2023.

Exhibit 31.1

Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Eric D. Ashleman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of IDEX Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ ERIC D. ASHLEMAN
Eric D. Ashleman
Chief Executive Officer and President

Date: July 27, 2023

Exhibit 31.2

Certification of Chief Financial Officer Pursuant to Section 302 of the
Sarbanes-Oxley Act of 2002

I, William K. Grogan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of IDEX Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ WILLIAM K. GROGAN
William K. Grogan
Senior Vice President and Chief Financial Officer

Date: July 27, 2023

Exhibit 32.1

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of IDEX Corporation (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarterly period ended June 30, 2023 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ ERIC D. ASHLEMAN
Eric D. Ashleman
Chief Executive Officer and President

Date: July 27, 2023

Exhibit 32.2

Certification of Chief Financial Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of IDEX Corporation (the “Company”) hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarterly period ended June 30, 2023 (the “Report”) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ WILLIAM K. GROGAN
William K. Grogan
Senior Vice President and Chief Financial Officer

Date: July 27, 2023